#### **CHAPTER 4**

#### **RULES OF ORIGIN**

#### **Article 4.1: Definitions**

For the purposes of this Chapter:

**aquaculture** means the farming of aquatic organisms, including fish, molluscs, crustaceans, other aquatic invertebrates and aquatic plants from seed stock such as eggs, fry, fingerlings, or larvae, by intervention in the rearing or growth processes to enhance production such as regular stocking, feeding, or protection from predators;

**fungible goods** or **fungible materials** means goods or materials that are interchangeable for commercial purposes and whose properties are essentially identical;

**indirect material** means a material used in the production, testing, or inspection of a good but not physically incorporated into the good, or a material used in the maintenance of buildings or the operation of equipment associated with the production of a good, including:

- (a) fuel and energy;
- (b) tools, dies, and molds;
- (c) spare parts and materials used in the maintenance of equipment and buildings;
- (d) lubricants, greases, compounding materials, and other materials used in production or used to operate equipment and buildings;
- (e) gloves, glasses, footwear, clothing, safety equipment, and supplies;
- (f) equipment, devices, and supplies used for testing or inspecting the goods;
- (g) catalysts and solvents; and
- (h) any other material that is not incorporated into the good but whose use in the production of the good can reasonably be demonstrated to be a part of that production;

**intermediate material** means a material that is self-produced and used in the production of a good, and designated pursuant to Article 8 (Intermediate Materials);

material means a good that is used in the production of another good, and includes a part or an ingredient;

**net cost** means total cost minus sales promotion, marketing and after-sales service costs, royalties, shipping and packing costs, and non-allowable interest costs that are included in the total cost;

**net cost of a good** means the net cost that can be reasonably allocated to a good using one of the methods set out in Article 4.5;

**non-allowable interest costs** means interest costs incurred by a producer that exceed 700 basis points above the applicable federal government interest rate identified in the *Uniform Regulations* for comparable maturities;

**non-originating good** or **non-originating material** means a good or material that does not qualify as originating under this Chapter;

**originating good** or **originating material** means a good or material that qualifies as originating under this Chapter;

packaging materials and containers means materials and containers in which a good is packaged for retail sale;

**packing materials and containers** means materials and containers that are used to protect a good during transportation;

**producer** means a person who engages in the production of a good;

**production** means growing, cultivating, raising, mining, harvesting, fishing, trapping, hunting, capturing, breeding, extracting, aquaculture, manufacturing, processing or assembling a good;

reasonably allocate means to apportion in a manner appropriate to the circumstances;

**royalties** means payments of any kind, including payments under technical assistance or similar agreements, made as consideration for the use or right to use a copyright, literary, artistic, or scientific work, patent, trademark, design, model, plan, secret formula or process, excluding those payments under technical assistance or similar agreements that can be related to specific services such as:

- (a) personnel training, without regard to where the training is performed; or
- (b) if performed in the territory of one or more of the Parties, engineering, tooling, diesetting, software design and similar computer services, or other services;

sales promotion, marketing, and after-sales service costs means the following costs related to sales promotion, marketing, and after-sales service:

- (a) sales and marketing promotion; media advertising; advertising and market research; promotional and demonstration materials; exhibits; sales conferences, trade shows, and conventions; banners; marketing displays; free samples; sales, marketing, and after-sales service literature (product brochures, catalogs, technical literature, price lists, service manuals, sales aid information); establishment and protection of logos and trademarks; sponsorships; wholesale and retail restocking charges; and entertainment;
- (b) sales and marketing incentives; consumer, retailer, or wholesaler rebates; and merchandise incentives;
- (c) salaries and wages, sales commissions, bonuses, benefits (for example, medical, insurance, pension), travelling and living expenses, and membership and professional fees for sales promotion, marketing and after-sales service personnel;
- (d) recruiting and training of sales promotion, marketing, and after-sales service personnel, and after-sales training of customers' employees, if those costs are identified separately for sales promotion, marketing, and after-sales service of goods on the financial statements or cost accounts of the producer;
- (e) product liability insurance;
- (f) office supplies for sales promotion, marketing, and after-sales service of goods, if those costs are identified separately for sales promotion, marketing, and after-sales service of goods on the financial statements or cost accounts of the producer;
- (g) telephone, mail, and other communications, if those costs are identified separately for sales promotion, marketing, and after-sales service of goods on the financial statements or cost accounts of the producer;
- (h) rent and depreciation of sales promotion, marketing, and after-sales service offices, and distribution centers;
- (i) property insurance premiums, taxes, cost of utilities, and repair and maintenance of sales promotion, marketing, and after-sales service offices and distribution centers, if those costs are identified separately for sales promotion, marketing, and after-sales service of goods on the financial statements or cost accounts of the producer; and
- (j) payments by the producer to other persons for warranty repairs;

**self-produced material** means a material that is produced by the producer of a good and used in the production of that good;

**shipping and packing costs** means the costs incurred in packing a good for shipment and shipping the good from the point of direct shipment to the buyer, excluding costs of preparing and packaging the good for retail sale;

**total cost** means all product costs, period costs, and other costs incurred in the territory of one or more of the Parties;

- (a) product costs are costs that are associated with the production of a good and include the value of materials, direct labor costs and direct overheads;
- (b) period costs are costs, other than product costs, that are expensed in the period in which they are incurred, such as selling expenses and general and administrative expenses; and
- (c) other costs are all costs recorded on the books of the producer that are not product costs or period costs, such as interest.

Total cost does not include profits that are earned by the producer, regardless of whether they are retained by the producer or paid out to other persons as dividends, or taxes paid on those profits, including capital gains taxes.

**transaction value** means the customs value as determined in accordance with the *Customs Valuation Agreement*, that is, the price actually paid or payable for a good or material with respect to a transaction of, except for the application of Article 10.3 and 10.4(a) in Appendix 1 to Annex 4-B, the producer of the good, adjusted in accordance with the principles of Articles 8(1), 8(3), and 8(4) of the *Customs Valuation Agreement*, regardless of whether the good or material is sold for export;

**used** means used or consumed in the production of goods;

**value** means value of a good or material for purposes of calculating customs duties or for the purposes of applying Chapter 4.

#### **Article 4.2: Originating Goods**

Except as otherwise provided in this Chapter, each Party shall provide that a good is originating if it is:

(a) wholly obtained or produced entirely in the territory of one or more of the Parties, as defined in Article 4.3;

- (b) produced entirely in the territory of one or more of the Parties using non-originating materials provided the good satisfies all applicable requirements of Annex 4-B (Product-Specific Rules of Origin);
- (c) produced entirely in the territory of one or more of the Parties exclusively from originating materials; or
- (d) except for a good provided for in Chapter 61 to 63 of the Harmonized System:
  - (i) produced entirely in the territory of one or more of the Parties; and
  - (ii) one or more of the non-originating materials provided for as parts under the Harmonized System used in the production of the good cannot satisfy the requirements set out in Annex 4-B (Product-Specific Rules of Origin) because both the good and its materials are classified in the same subheading, or heading that is not further subdivided into subheadings or, the good was imported into the territory of a Party in an unassembled or a disassembled form but was classified as an assembled good pursuant to General Rule of Interpretation 2(a) of the Harmonized System; and
  - (iii) the regional value content of the good, determined in accordance with Article 4.11 (*Accumulation*), is not less than 60 per cent if the transaction value method is used, or not less than 50 percent if the net cost method is used;

and the good satisfies all other applicable requirements of this Chapter.

### **Article 4.3: Wholly Obtained or Produced Goods**

Each Party shall provide that, for the purposes of Article 4.2 a good is wholly obtained or produced entirely in the territory of one or more of the Parties if it is:

- (a) a mineral good or other naturally occurring substance extracted or taken from there;
- (b) a plant, plant good, vegetable or fungus, grown, cultivated, harvested, picked, or gathered there;
- (c) a live animal born and raised there;
- (d) a good obtained from a live animal there;
- (e) an animal obtained by hunting, trapping, fishing, gathering or capturing there;

- (f) a good obtained from aquaculture there;
- (g) fish, shellfish, and other marine life taken from the sea, seabed or subsoil outside the territories of the Parties and, under international law, outside the territorial sea of non-Parties, by vessels that are registered, listed, or recorded with a Party and entitled to fly the flag of that Party;
- (h) a good produced from goods referred to in subparagraph (g) on board a factory ship that is registered, listed, or recorded with a Party and entitled to fly the flag of that Party;
- (i) a good other than fish, shellfish and other marine life taken by a Party or a person of a Party from the seabed or subsoil outside the territories of the Parties, provided that Party has the right to exploit that seabed or subsoil;
- (j) waste and scrap derived from:
  - (i) production there; or
  - (ii) used goods collected there, provided the goods are fit only for the recovery of raw materials; and
- (k) a good produced there, exclusively from goods referred to in subparagraphs (a) through (j), or from their derivatives, at any stage of production.

# Article 4.4: Treatment of Recovered Materials Used in the Production of a Remanufactured Good

- 1. Each Party shall provide that a recovered material derived in the territory of one or more of the Parties is treated as originating when it is used in the production of, and incorporated into, a remanufactured good.
- 2. For greater certainty:
  - (a) a remanufactured good is originating only if it satisfies the applicable requirements of Article 4.2 (Originating Goods); and
  - (b) a recovered material that is not used or incorporated in the production of a remanufactured good is originating only if it satisfies the applicable requirements of Article 4.2 (Originating Goods).

### **Article 4.5: Regional Value Content**

- 1. Except as provided in paragraph 6, each Party shall provide that the regional value content of a good shall be calculated, at the choice of the importer, exporter or producer of the good, on the basis of either the transaction value method set out in paragraph 2 or the net cost method set out in paragraph 3.
- 2. Each Party shall provide that an importer, exporter, or producer may calculate the regional value content of a good on the basis of the following transaction value method:

$$RVC = (TV-VNM)/TV \times 100$$

where

RVC is the is the regional value content, expressed as a percentage;

TV is the transaction value of the good, adjusted to exclude any costs incurred in the international shipment of the good; and

VNM is the value of non-originating materials including materials of undetermined origin used by the producer in the production of the good.

3. Each Party shall provide that an exporter or producer may calculate the regional value content of a good on the basis of the following net cost method:

where

RVC is the is the regional value content, expressed as a percentage;

NC is the net cost of the good; and

VNM is the value of non-originating materials including materials of undetermined origin used by the producer in the production of the good.

4. Except as provided in Article 10.3 of Appendix 1 to Annex 4-B, for a motor vehicle identified in Article 10.4.2(a) of that Appendix, or a component identified in Table G of that Appendix, the value of non-originating materials used by the producer in the production of a good shall not, for the purposes of calculating the regional value content of the good under paragraph 2 or 3, include the value of non-originating materials used to produce originating materials that are subsequently used in the production of the good.

- 5. Each Party shall provide that if a non-originating material is used in the production of a good, the following may be counted as originating content for the purpose of determining whether the good meets a regional value content requirement:
  - (a) the value of processing of the non-originating materials undertaken in the territory of one or more of the Parties; and
  - (b) the value of any originating material used in the production of the non-originating material undertaken in the territory of one or more of the Parties.
- 6. Each Party shall provide that an exporter or producer shall calculate the regional value content of a good solely on the basis of the net cost method set out in paragraph 3 if the rule under the PSR Annex does not provide a rule based on the transaction value method.
- 7. If an importer, exporter or producer of a good calculates the regional value content of the good on the basis of the transaction value method set out in paragraph 2 and a Party subsequently notifies the exporter or producer, during the course of a verification pursuant to Chapter 5 (Origin Procedures) that the transaction value of the good, or the value of material used in the production of the good, is required to be adjusted or is unacceptable under Article 1 of the *Customs Valuation Agreement*, the exporter, producer, or importer may then also calculate the regional value content of the good on the basis of the net cost method set out in paragraph 3.
- 8. For purposes of calculating the net cost of a good under paragraph 3, the producer of the good may:
  - (a) calculate the total cost incurred with respect to all goods produced by that producer, subtract any sales promotion, marketing, and after-sales service costs, royalties, shipping and packing costs, and non-allowable interest costs that are included in the total cost of all those goods, and then reasonably allocate the resulting net cost of those goods to the good,
  - (b) calculate the total cost incurred with respect to all goods produced by that producer, reasonably allocate the total cost to the good, and then subtract any sales promotion, marketing, and after-sales service costs, royalties, shipping and packing costs and non-allowable interest costs that are included in the portion of the total cost allocated to the good, or
  - (c) reasonably allocate each cost that forms part of the total cost incurred with respect to the good so that the aggregate of these costs does not include any sales promotion, marketing, and after-sales service costs, royalties, shipping and packing costs, and non-allowable interest costs,

provided that the allocation of all those costs is consistent with the provisions regarding the reasonable allocation of costs set out in the *Uniform Regulations*.

#### **Article 4.6: Value of Materials Used in Production**

Each Party shall provide that, for the purposes of this Chapter, the value of a material is:

- (a) for a material imported by the producer of the good, the transaction value of the material at the time of importation, including the costs incurred in the international shipment of the material;
- (b) for a material acquired in the territory where the good is produced:
  - (i) the price paid or payable by the producer in the Party where the producer is located;
  - (ii) the value as determined for an imported material in subparagraph (a);
  - (iii) the earliest ascertainable price paid or payable in the territory of the Party; or
- (c) for a material that is self-produced:
  - (i) all the costs incurred in the production of the material, which includes general expenses; and
  - (ii) an amount equivalent to the profit added in the normal course of trade, or equal to the profit that is usually reflected in the sale of goods of the same class or kind as the self-produced material that is being valued.

#### **Article 4.7: Further Adjustments to the Value of Materials**

- 1. Each Party shall provide that for a non-originating material or material of undetermined origin, the following expenses may be deducted from the value of the material:
  - (a) the costs of freight, insurance, packing, and all other costs incurred in transporting the material to the location of the producer of the good;
  - (b) duties, taxes, and customs brokerage fees on the material paid in the territory of one or more of the Parties, other than duties and taxes that are waived, refunded, refundable, or otherwise recoverable, which include credit against duty or tax paid or payable; and
  - (c) the cost of waste and spoilage resulting from the use of the material in the production of the good, less the value of reusable scrap or by-product.

2. If the cost or expense listed in paragraph 1 is unknown or documentary evidence of the amount of the adjustment is not available, then no adjustment is allowed for that particular cost.

#### **Article 4.8: Intermediate Materials**

1. Except as provided in Article 10.3 of Appendix 1 to Annex 4-B, each Party shall provide that any self-produced material, other than a component identified in Table G of that Appendix, that is used in the production of a good may be designated by the producer of the good as an intermediate material for the purpose of calculating the regional value content of the good under paragraph 2 or 3 of Article 4.5, provided that if the intermediate material is subject to a regional value-content requirement, no other self-produced material subject to a regional value-content requirement used in the production of that intermediate material may itself be designated by the producer as an intermediate material.

#### **Article 4.9: Indirect Materials**

An indirect material shall be considered to be an originating material without regard to where it is produced.

#### **Article 4.10: Automotive Goods**

Appendix 1 to Annex 4-B includes additional provisions that apply to automotive goods.

#### **Article 4.11: Accumulation**

- 1. Each Party shall provide that a good is originating if the good is produced in the territory of one or more of the Parties by one or more producers, provided that the good satisfies the requirements of Article 4.2 (Originating Goods) and all other applicable requirements in this Chapter.
- 2. Each Party shall provide that an originating good or material of one or more of the Parties is considered as originating in the territory of another Party when used as a material in the production of a good in the territory of another Party.
- 3. Each Party shall provide that production undertaken on a non-originating material in the territory of one or more of the Parties may contribute toward the originating status of a good, regardless of whether that production was sufficient to confer originating status to the material itself.

#### **Article 4.12:** *De Minimis*

- 1. Except as provided in Annex 4-A (Exceptions to Article 4.12 (*De Minimis*)), each Party shall provide that a good is an originating good if the value of all non-originating materials used in the production of the good that do not undergo an applicable change in tariff classification set out in Annex 4-B (Product Specific Rules of Origin) is not more than 10 percent:
  - (a) of the transaction value of the good adjusted to exclude any costs incurred in the international shipment of the good; or
  - (b) of the total cost of the good,

provided that the good satisfies all other applicable requirements of this Chapter.

- 2. If a good described in paragraph 1 is also subject to a regional value content requirement, the value of those non-originating materials shall be included in the value of non-originating materials for the applicable regional value content requirement.
- 3. A good that is otherwise subject to a regional value-content requirement shall not be required to satisfy the requirement if the value of all non-originating materials used in the production of the good is not more than 10 percent of the transaction value of the good, adjusted to exclude any costs incurred in the international shipment of the good, or the total cost of the good, provided that the good satisfies all other applicable requirements of this Chapter.
- 4. With respect to a textile or apparel good, Article 6.1.2 through 6.1.3 apply in place of paragraph 1.

### **Article 4.13: Fungible Goods and Materials**

- 1. Each Party shall provide that a fungible material or good is originating if:
  - (a) when originating and non-originating fungible materials are used in the production of a good, the determination of whether the materials are originating is made on the basis of an inventory management method recognized in the Generally Accepted Accounting Principles of, or otherwise accepted by, the Party in which the production is performed; or
  - (b) when originating and non-originating fungible goods are commingled and exported in the same form, the determination of whether the goods are originating is made on the basis of an inventory management method recognized in the Generally Accepted Accounting Principles of, or otherwise accepted by, the Party from which the good is exported.

- 2. The inventory management method selected under paragraph 1 must be used throughout the fiscal year of the person that selected the inventory management method.
- 3. For greater certainty, an importer may claim that a fungible material or good is originating if the importer, producer, or exporter has physically segregated each fungible material or good as to allow their specific identification.

# Article 4.14: Accessories, Spare Parts, Tools, or Instructional or Other Information Materials

- 1. Each Party shall provide that:
  - in determining whether a good is wholly obtained, or satisfies a process or change in tariff classification requirement as set out in Annex 4-B (Product-Specific Rules of Origin), accessories, spare parts, tools, or instructional or other information materials as described in paragraph 3, are to be disregarded; and
  - (b) in determining whether a good meets a regional value content requirement, the value of the accessories, spare parts, tools, or instructional or other information materials, as described in paragraph 3, are to be taken into account as originating or non-originating materials, as the case may be, in calculating the regional value content of the good.
- 2. Each Party shall provide that a good's accessories, spare parts, tools, or instructional or other information materials, as described in paragraph 3, have the originating status of the good with which they are delivered.
- 3. For the purposes of this Article, accessories, spare parts, tools, or instructional or other information materials are covered when:
  - (a) the accessories, spare parts, tools, or instructional or other information materials are classified with, delivered with but not invoiced separately from the good; and
  - (b) the types, quantities, and value of the accessories, spare parts, tools, or instructional or other information materials are customary for that good.

## Article 4.15: Packaging Materials and Containers for Retail Sale

1. Each Party shall provide that packaging materials and containers in which a good is packaged for retail sale, if classified with the good, are disregarded in determining whether all the non-originating materials used in the production of the good have satisfied the applicable process

or change in tariff classification requirement set out in Annex 4-B (Product-Specific Rules of Origin) or whether the good is wholly obtained or produced.

2. Each Party shall provide that if a good is subject to a regional value content requirement, the value of the packaging materials and containers in which the good is packaged for retail sale, if classified with the good, are taken into account as originating or non-originating, as the case may be, in calculating the regional value content of the good.

### **Article 4.16: Packing Materials and Containers for Shipment**

Each Party shall provide that packing materials and containers for shipment are disregarded in determining whether a good is originating.

### **Article 4.17: Sets of Goods, Kits or Composite Goods**

- 1. Except as provided in Annex 4-B (Product-Specific Rules of Origin), each Party shall provide that for a set classified as a result of the application of rule 3 of the General Rules for the Interpretation of the Harmonized System, the set is originating only if each good in the set is originating and both the set and the goods meet the other applicable requirements of this Chapter.
- 2. Notwithstanding paragraph 1, for a set classified as a result of the application of rule 3 of the General Rules for the Interpretation of the Harmonized System, the set is originating if the value of all the non-originating goods in the set does not exceed 7 per cent of the value of the set.
- 3. For the purposes of paragraph 2, the value of the non-originating goods in the set and the value of the set shall be calculated in the same manner as the value of non-originating materials and the value of the good.
- 4. With respect to a textile or apparel good, Article 6.1.4 through 6.1.5 apply in place of paragraph 1.

#### **Article 4.18: Transit and Transshipment**

- 1. Each Party shall provide that an originating good retains its originating status if the good has been transported to the importing Party without passing through the territory of a non-Party.
- 2. Each Party shall provide that if an originating good is transported outside the territories of the Parties, the good retains its originating status if the good:
  - (a) remains under customs control in the territory of a non-Party; and

(b) does not undergo an operation outside the territories of the Parties other than: unloading; reloading; separation from a bulk shipment; storing; labeling or marking required by the importing Party; or any other operation necessary to preserve it in good condition or to transport the good to the territory of the importing Party.

# **Article 4.19: Non-Qualifying Operations**

Each Party shall provide that a good shall not be considered to be an originating good merely by reason of:

- (a) mere dilution with water or another substance that does not materially alter the characteristics of the good; or
- (b) a production or pricing practice in respect of which it may be demonstrated, on the basis of a preponderance of evidence, that the object was to circumvent this Chapter.

#### **ANNEX 4-A**

#### **EXCEPTIONS TO ARTICLE 4.12 DE MINIMIS**

Each Party shall provide that Article 4.12 (*De Minimis*) shall not apply to:

- (a) a non-originating material of heading 04.01 through 04.06, or a non-originating dairy preparation containing over 10 per cent by dry weight of milk solids of subheading 1901.90 or 2106.90, used in the production of a good of heading 04.01 through 04.06;
- (b) a non-originating material of heading 04.01 through 04.06, or non-originating dairy preparations containing over 10 per cent by dry weight of milk solids of subheading 1901.90 or 2106.90, used in the production of the following goods:
  - (i) infant preparations containing over 10 per cent by dry weight of milk solids of subheading 1901.10;
  - (ii) mixes and doughs, containing over 25 per cent by dry weight of butterfat, not put up for retail sale of subheading 1901.20;
  - (iii) dairy preparations containing over 10 per cent by dry weight of milk solids of subheading 1901.90 or 2106.90;
  - (iv) goods of heading 21.05;
  - (v) beverages containing milk of subheading 2202.90; or
  - (vi) animal feeds containing over 10 per cent by dry weight of milk solids of subheading 2309.90;
- (c) a non-originating material of heading 08.05 or subheading 2009.11 through 2009.39 used in the production of a good of subheading 2009.11 through 2009.39, or a fruit or vegetable juice of any single fruit or vegetable, fortified with minerals or vitamins, concentrated or unconcentrated, of subheading 2106.90 or 2202.90;
- (d) a non-originating material of Chapter 9 of the Harmonized System used in the production of unflavored instant coffee of subheading 2101.10 (instant coffee, not flavored);
- (e) a non-originating material of Chapter 15 of the Harmonized System, used in the production of a good of headings 15.01 through 15.08, 15.12, 15.14, or 15.15;

- (f) a non-originating material of heading 17.01 used in the production of a good provided for in heading 17.01 through 17.03;
- (g) a non-originating material of Chapter 17 of the Harmonized System or heading 18.05 that is used in the production of a good of subheading 1806.10;
- (h) non-originating peaches, pears or apricots of Chapter 8 or 20 of the Harmonized System, used in the production of a good of heading 20.08;
- (i) a non-originating single juice ingredient provided for in heading 20.09 that is used in the production of a good provided for in subheading 2009.90, or tariff item 2106.90.cc (concentrated mixtures of fruit or vegetable juice, fortified with minerals or vitamins) or 2202.90.bb (mixtures of fruit or vegetable juices, fortified with minerals or vitamins);
- (j) a non-originating material provided for in headings 22.03 through 22.08 that is used in the production of a good provided for in headings 22.07 or 22.08;
- (k) a non-originating material used in the production of a good of Chapters 1 through 27 of the Harmonized System, unless the non-originating materials are provided for in a different subheading than the good for which origin is being determined under this Article.

#### **ANNEX 4-B**

#### PRODUCT SPECIFIC RULES OF ORIGIN

#### **Section A- General Interpretative Note**

For purposes of interpreting the rules of origin set out in this Annex:

- (a) the new tariff items created for purposes of Chapter Four, shown generically in the specific rules of origin by eight-digit numbers comprised of six numeric and two alpha characters, refer to the Party-specific tariff items shown in the table following Section B of this Annex;
- (b) the specific rule, or specific set of rules, that applies to a particular heading, subheading or tariff item is set out immediately adjacent to the heading, subheading or tariff item;
- (c) a rule applicable to a tariff item shall take precedence over a rule applicable to the heading or subheading which is parent to that tariff item;
- (d) a requirement of a change in tariff classification applies only to non-originating materials;
- (e) reference to weight in the rules for goods provided for in Chapter 1 through 24 of the Harmonized System means dry weight unless otherwise specified in the Harmonized System;
- (f) the following definitions apply:

chapter means a chapter of the Harmonized System;

**heading** means the first four digits in the tariff classification number under the Harmonized System;

**section** means a section of the Harmonized System;

**subheading** means the first six digits in the tariff classification number under the Harmonized System; and

**tariff item** means the first eight digits in the tariff classification number under the Harmonized System as implemented by each Party.

#### **Section B – Product-Specific Rules of Origin**

#### **Section I - Live Animals; Animal Products (Chapter 1-5)**

### **Chapter 1 Live Animals**

01.01-01.06 A change to heading 01.01 through 01.06 from any other chapter.

### **Chapter 2 Meat and Edible Meat Offal**

02.01-02.10 A change to heading 02.01 through 02.10 from any other chapter.

## **Chapter 3 Fish and Crustaceans, Molluscs and Other Aquatic Invertebrates**

03.01-03.08 A change to heading 03.01 through 03.08 from any other chapter.

## <u>Chapter 4 Dairy Produce; Birds' Eggs; Natural Honey; Edible Products of Animal Origin,</u> Not Elsewhere Specified or Included

04.01-04.10 A change to heading 04.01 through 04.10 from any other chapter, except from tariff item 1901.90.aa or 2106.90.dd.

#### Chapter 5 Products of Animal Origin, Not Elsewhere Specified or Included

O5.01-05.11 A change to heading 05.01 through 05.11 from any other chapter.

## **Section II - Vegetable Products (Chapter 6-14)**

Note: Agricultural and horticultural goods grown in the territory of a Party shall be treated as originating in the territory of that Party even if grown from seed, bulbs, rootstock, cuttings, slips or other live parts of plants imported from a non-Party.

# <u>Chapter 6 Live Trees and Other Plants; Bulbs, Roots and the Like; Cut Flowers and Ornamental Foliage</u>

06.01-06.04 A change to heading 06.01 through 06.04 from any other chapter.

### **Chapter 7 Edible Vegetables and Certain Roots and Tubers**

Note: Notwithstanding subparagraph (k) of Annex 4-A, paragraph 1 of Article 4.12 applies to: non-originating truffles of subheading 0709.59 used in the production of mixtures of mushrooms and truffles of subheading 0709.59 and non-originating capers of subheading 0711.90 used in the production of mixtures of vegetables of subheading 0711.90.

07.01-07.11 A change to heading 07.01 through 07.11 from any other chapter.

0712.20-0712.39 A change to subheading 0712.20 through 0712.39 from any other chapter.

O712.90 A change to savory, crushed or ground, of subheading 0712.90 from

savory, neither crushed nor ground, of subheading 0712.90 or any other

chapter; or

A change to any other good of subheading 0712.90 from any other

chapter.

07.13-07.14 A change to heading 07.13 through 07.14 from any other chapter.

## Chapter 8 Edible Fruit and Nuts; Peel of Citrus Fruit or Melons

Note: Notwithstanding subparagraph (k) of Annex 4-A, paragraph 1 of Article 4.12, does not apply to non-originating macadamia nuts of subheading 0802.60 used in the production of mixtures of nuts of subheading 0802.90.

08.01-08.14 A change to heading 08.01 through 08.14 from any other chapter.

# **Chapter 9 Coffee, Tea, Maté and Spices**

09.01	A change to heading 09.01 from any other chapter.
0902.10-0902.40	A change to subheading 0902.10 through 0902.40 from any other subheading, including another subheading within that group.
09.03	A change to heading 09.03 from any other chapter.
0904.11	A change to subheading 0904.11 from any other chapter.
0904.12	A change to subheading 0904.12 from any other subheading.
0904.21	A change to subheading 0904.21 from any other chapter.
0904.22	A change to allspice, crushed or ground, of subheading 0904.22 from allspice, neither crushed nor ground of subheading 0904.21 or from any other chapter; or
	A change to any other good of subheading 0904.22 from any other chapter.
09.05	A change to heading 09.05 from any other chapter.
0906.11-0906.19	A change to subheading 0906.11 through 0906.19 from any other chapter.

0906.20	A change to subheading 0906.20 from any other subheading.
0907.10-0907.20	A change to a good of any of subheading 0907.10 through 0907.20 from any other good within that subheading, any other subheading within that group or any other chapter.
0908.11-0909.62	A change to a good of any of subheading 0908.11 through 0909.62 from any other good within that subheading, any other subheading within that group or any other chapter.
0910.11 – 0910.12	A change to a good of any of subheading 0910.11 through 0910.12 from any other good within that subheading group, any other subheading within that group or from any other chapter.
0910.20	A change to subheading 0910.20 from any other chapter.
0910.30	A change to a good of subheading 0910.30 from within that subheading or any other chapter.
0910.91	A change to subheading 0910.91 from any other subheading.
0910.99	

Note: Notwithstanding subparagraph (k) of Annex 4-A, paragraph 1 of Article 4.12, applies to non-originating thyme, bay leaves or curry of subheading 0910.99 used in the production of mixtures of subheading 0910.99.

A change to bay leaves, crushed or ground, of subheading 0910.99 from bay leaves, neither crushed nor ground, of subheading 0910.99 or any other chapter;

A change to dill seeds, crushed or ground, of subheading 0910.99 from dill seeds, neither crushed nor ground, of subheading 0910.99 or any other chapter;

A change to curry of subheading 0910.99 from any other good of subheading 0910.99 or any other subheading; or

A change to any other good of subheading 0910.99 from any other chapter.

### **Chapter 10 Cereals**

10.01-10.08 A change to heading 10.01 through 10.08 from any other chapter.

## Chapter 11 Products of the Milling Industry; Malt; Starches; Inulin; Wheat Gluten

11.01-11.09 A change to heading 11.01 through 11.09 from any other chapter.

## <u>Chapter 12 Oil Seeds and Oleaginous Fruits; Miscellaneous Grains, Seeds and Fruit;</u> Industrial or Medicinal Plants; Straw and Fodder

12.01-12.06	A change to heading	12.01 through 12.06 from	any other chapter.
12:01 12:00	11 011001170 00 1100001117	12.01 0111000011111	

1207.10-1207.70 A change to subheading 1207.10 through 1207.70 from any other chapter.

1207.91 A change to a good of subheading 1207.91 from within that subheading or

any other chapter.

1207.99 A change to subheading 1207.99 from any other chapter.

12.08 A change to heading 12.08 from any other chapter.

1209.10-1209.30

Note: Notwithstanding subparagraph (k) of Annex 4-A, paragraph 1 of Article 4.12 applies to non-originating timothy grass seed when used in the production of mixtures of subheading 1209.29.

A change to subheading 1209.10 through 1209.30 from any other chapter.

1209.91 A change to celery seeds, crushed or ground, of subheading 1209.91 from

celery seeds, neither crushed nor ground, of subheading 1209.91 or any

other chapter; or

A change to any other good of subheading 1209.91 from any other

chapter.

1209.99 A change to subheading 1209.99 from any other chapter.

12.10-12.14 A change to heading 12.10 through 12.14 from any other chapter.

# Chapter 13 Lac; Gums, Resins and Other Vegetable Saps and Extracts

A change to a good of subheading 1301.20 from within that subheading or

any other chapter.

1301.90 A change to subheading 1301.90 from any other chapter

1302.11-1302.32

Note: Notwithstanding subparagraph (k) of Annex 4-A, paragraph 1 of Article 4.12 applies to non-originating saps and extracts of pyrethrum or of the roots of plants containing rotenone when used in the production of goods of subheading 1302.19.

A change to subheading 1302.11 through 1302.32 from any other chapter, except from concentrates of poppy straw of subheading 2939.11.

1302.39 A change to carrageenan of subheading 1302.39 from within that

subheading or any other chapter, provided the non-originating materials of subheading 1302.39 do not exceed 50 percent by weight of the good; or

A change to any other good of subheading 1302.39 from any other chapter, except from concentrates of poppy straw of subheading 2939.11.

# <u>Chapter 14 Vegetable Plaiting Materials; Vegetable Products Not Elsewhere Specified or</u> Included

14.01-14.04 A change to heading 14.01 through 14.04 from any other chapter.

Section III - Animal or Vegetable Fats and Oils and Their Cleavage Products; Prepared Edible Fats; Animal or Vegetable Waxes (Chapter 15)

# <u>Chapter 15 Animal or Vegetable Fats and Oils and Their Cleavage Products; Prepared Edible Fats; Animal or Vegetable Waxes</u>

15.01-15.18	A change to heading 15.01 through 15.18 from any other chapter, except from heading 38.23.
15.20	A change to heading 15.20 from any other heading, except from heading 38.23.
15.21-15.22	A change to heading 15.21 through 15.22 from any other chapter.

# Section IV - Prepared Foodstuffs; Beverages, Spirits and Vinegar; Tobacco and Manufactured Tobacco Substitutes (Chapter 16-24)

# <u>Chapter 16 Preparations of Meat, of Fish or of Crustaceans, Molluscs or Other Aquatic Invertebrates</u>

16.01-16.05 A change to heading 16.01 through 16.05 from any other chapter.

# **Chapter 17 Sugars and Sugar Confectionery**

17.01-17.03	A change to heading	17.01 through 17.03	from any other chapter.

17.04 A change to heading 17.04 from any other heading.

# **Chapter 18 Cocoa and Cocoa Preparations**

18.01-18.05	A change to heading 18.01 through 18.05 from any other chapter.
1806.10.aa	A change to tariff item 1806.10.aa from any other heading except subheading 1701.99.
1806.10	A change to subheading 1806.10 from any other heading, provided that the non-originating sugar of Chapter 17 constitutes no more than 35 percent by weight of the sugar and the non-originating cocoa powder of heading 18.05 constitutes no more than 35 percent by weight of the cocoa powder.
1806.20	A change to subheading 1806.20 from any other heading.
1806.31 - 1806.90	A change to subheading 1806.31 through 1806.90 from any other

subheading, including another subheading within that group.

# Chapter 19 Preparations of Cereals, Flour, Starch or Milk; Pastrycooks' Products

1901.10	
1901.10.aa	A change to tariff item 1901.10.aa from any other chapter, except from Chapter 4.
1901.10	A change to subheading 1901.10 from any other chapter.
1901.20	
1901.20.aa	A change to tariff item 1901.20.aa from any other chapter, except from Chapter 4.
1901.20	A change to subheading 1901.20 from any other chapter.
1901.90	

1901.90.aa	A change to tariff item 1901.90.aa from any other chapter, except from Chapter 4.
1901.90	A change to subheading 1901.90 from any other chapter.
19.02-19.03	A change to heading 19.02 through 19.03 from any other chapter.
1904.10	A change to subheading 1904.10 from any other chapter.
1904.20	A change to subheading 1904.20 from any other subheading, except from Chapter 20.
1904.30-1904.90	A change to subheading 1904.30 through 1904.90 from any other chapter.
19.05	A change to heading 19.05 from any other chapter.

## Chapter 20 Preparations of Vegetables, Fruit, Nuts or Other Parts of Plants

Note: Fruit, nut and vegetable preparations of Chapter 20 that have been prepared or preserved merely by freezing, by packing (including canning) in water, brine or natural juices, or by roasting, either dry or in oil (including processing incidental to freezing, packing, or roasting), shall be treated as an originating good only if the fresh good were wholly produced or obtained entirely in the territory of one or more of the Parties.

Fruit preparations of heading 20.08 that contain peaches, pears, or apricots, either alone or mixed with other fruits shall be treated as originating only if the peaches, pears, or apricots were wholly obtained or produced entirely in the territory of one or more of the Parties

Note: Notwithstanding subparagraph (k) of Annex 4-A, paragraph 1 of Article 4.12, does not apply to non-originating bamboo shoots of subheading 2005.91 used in the production of mixtures of vegetables of subheading 2005.99.

20.01-20.07	A change to heading 20.01 through 20.07 from any other chapter.
2008.11	A change to subheading 2008.11 from any other heading, except from heading 12.02.
2008.19-2008.99	A change to subheading 2008.19 through 2008.99 from any other chapter.
2009.11-2009.39	A change to subheading 2009.11 through 2009.39 from any other chapter, except from heading 08.05.
2009.41-2009.89	A change to subheading 2009.41 through 2009.89 from any other chapter.

A change to subheading 2009.90 from any other chapter;

A change to cranberry juice mixtures of subheading 2009.90 from any other subheading within Chapter 20, except from subheading 2009.11 through 2009.39 or cranberry juice of subheading 2009.80, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used; or

A change to any other good of subheading 2009.90 from any other subheading within Chapter 20, whether or not there is also a change from any other chapter, provided that a single juice ingredient, or juice ingredients from a single non-Party, constitute in single strength form no more than 60 per cent by volume of the good.

## **Chapter 21 Miscellaneous Edible Preparations**

21.01	
2101.11.aa	A change to tariff item 2101.11.aa from any other chapter, provided that the non-originating coffee of Chapter 9 constitutes no more than 60 percent by weight of the good.
21.01	A change to heading 21.01 from any other chapter.
21.02	A change to heading 21.02 from any other chapter.
2103.10	A change to subheading 2103.10 from any other chapter.
2103.20	
2103.20.aa	A change to tariff item 2103.20.aa from any other chapter, except from subheading 2002.90.
2103.20	A change to subheading 2103.20 from any other chapter.
2103.30	A change to subheading 2103.30 from any other chapter.
2103.90	A change to subheading 2103.90 from any other subheading.
21.04	A change to heading 21.04 from any other chapter.

21.05	A change to heading 21.05 from any other heading, except from Chapter 4 or tariff item 1901.90.aa.	
21.06		
2106.90.aa	A change to tariff item 2106.90.aa, or from any other chapter, except from Chapter 4 or from tariff item No. 1901.90.aa.	
2106.90.bb	A change to tariff item 2106.90.bb from any other chapter, except from heading 08.05 or 20.09 or tariff item 2202.90.aa.	
2106.90.cc	A change to tariff item 2106.90.cc from any other chapter, except from heading 20.09 or tariff item 2202.90.bb; or	
	A change to tariff item 2106.90.cc from any other subheading within Chapter 21, heading 20.09, or tariff item 2202.90.bb, whether or not there is also a change from any other chapter, provided that a single juice ingredient, or juice ingredients from a single non-Party, constitute in single strength form no more than 60 percent by volume of the good.	
2106.90.dd	A change to tariff items 2106.90.dd from any other chapter, except from Chapter 4 or tariff item 1901.90.aa.	
2106.90.ee	A change to tariff item tariff item 2106.90.ee from any other tariff item, except from heading 22.03 through 22.09.	
2106.90.ff	A change to tariff item 2106.90.ff from any other chapter except from subheading 1701.99.	
21.06	A change to heading 21.06 from any other chapter.	
Chapter 22 Beverages, Spirits and Vinegar		
22.01	A change to heading 22.01 from any other chapter.	
2202.10	A change to subheading 2202.10 from any other chapter.	
2202.90		
2202.90.aa	A change to tariff item 2202.90.aa from any other chapter, except from heading 08.05 or 20.09 or tariff item 2106.90.bb.	

2202.90.bb	A change to tariff item 2202.90.bb from any other chapter, except from heading 20.09 or tariff item 2106.90.cc; or	
	A change to tariff item 2202.90.bb from any other subheading within Chapter 22, heading 20.09, or tariff item 2106.90.cc, whether or not there is also a change from any other chapter, provided that a single juice ingredient, or juice ingredients from a single non-Party, constitute in single strength form no more than 60 percent by volume of the good.	
2202.90.cc	A change to tariff item 2202.90.cc from any other chapter, except from Chapter 4 or tariff item 1901.90.aa.	
2202.90	A change to subheading 2202.90 from any other chapter.	
22.03-22.07	A change to heading 22.03 through 22.07 from any heading outside that group, except from tariff item 2106.90.ee or heading 22.08 through 22.09.	
2208.20	A change to subheading 2208.20 from any other heading, except from tariff item 2106.90.ee or heading 22.03 through 22.07 or 22.09.	
2208.30-2208.70	No required change in tariff classification to subheading 2208.30 through 2208.70, provided that the non-originating alcoholic ingredients constitute no more than 10 percent of the alcoholic content of the good by volume.	
2208.90	A change to subheading 2208.90 from any other heading, except from tariff item 2106.90.ee or heading 22.03 through 22.07 or 22.09.	
22.09	A change to heading 22.09 from any other heading, except from tariff item 2106.90.ee or heading 22.03 through 22.08.	
Chapter 23 Residues and Waste From the Food Industries; Prepared Animal Fodder		
23.01-23.08	A change to heading 23.01 through 23.08 from any other chapter.	
2309.10	A change to subheading 2309.10 from any other heading.	
2309.90		
2309.90.aa	A change to tariff item 2309.90.aa from any other heading, except from Chapter 4 or tariff item 1901.90.aa.	

# **Chapter 24 Tobacco and Manufactured Tobacco Substitutes**

2309.90

A change to subheading 2309.90 from any other heading.

24.01-24.03 A change to heading 24.01 through 24.03 from tariff item 2401.10.aa, 2401.20.aa or 2403.91.aa or any other chapter.

## **Section V - Mineral Products (Chapter 25-27)**

### Chapter 25 Salt; Sulphur; Earths and Stone; Plastering Materials, Lime and Cement

25.01-25.30 A change to heading 25.01 through 25.30 from any other chapter.

## **Chapter 26 Ores, Slag and Ash**

A change to heading 26.01 through 26.21 from any other heading, including another heading within that group.

# <u>Chapter 27 Mineral Fuels, Mineral Oils and Products of Their Distillation; Bituminous</u> Substances; Mineral Waxes

**Note 1:** Notwithstanding the applicable product-specific rules of origin, a good of chapter 27 that is the product of a chemical reaction is an originating good if the chemical reaction occurred in the territory of one or more of the Parties.

For the purposes of this rule, a "chemical reaction" is a process (including a biochemical process) that results in a molecule with a new structure by breaking intramolecular bonds and by forming new intramolecular bonds, or by altering the spatial arrangement of atoms in a molecule.

The following are not chemical reactions:

- (a) dissolving in water or other solvents;
- (b) the elimination of solvents, including solvent water; or
- (c) the addition or elimination of water of crystallisation.

#### **Note 2:** For the purposes of heading 27.10, the following processes confer origin:

- (a) Atmospheric distillation A separation process in which petroleum oils are converted, in a distillation tower, into fractions according to boiling point and the vapor then condensed into different liquefied fractions. Liquefied petroleum gas, naphtha, gasoline, kerosene, diesel/heating oil, light gas oils, and lubricating oil are produced from petroleum distillation;
- (b) Vacuum distillation Distillation at a pressure below atmospheric but not so low that it would be classed as molecular distillation. Vacuum distillation is useful for distilling high-boiling and heat-sensitive materials such as heavy distillates in

- petroleum oils to produce light to heavy vacuum gas oils and residuum. In some refineries gas oils may be further processed into lubricating oils;
- (c) Catalytic hydroprocessing The cracking and/or treating of petroleum oils with hydrogen at high temperature and under pressure, in the presence of special catalysts. Catalytic hydroprocessing includes hydrocracking and hydrotreating;
- (d) Reforming (catalytic reforming) The rearrangment of molecules in a naphtha boiling range material to form higher octane aromatics (i.e., improved antiknock quality at the expense of gasoline yield). A main product is catalytic reformate, a blend component for gasoline. Hydrogen is another by-product;
- (e) Alkylation A process whereby a high-octane blending component for gasolines is derived from catalytic combination of an isoparaffin and an olefin;
- (f) Cracking A refining process involving decomposition and molecular recombination of organic compounds, especially hydrocarbons obtained by means of heat, to form molecules suitable for motor fuels, monomers, petrochemicals, etc.:
  - (i) Thermal cracking Exposes the distillate to temperatures of approximately 540-650C (1000-1200F) for varying periods of time. Process produces modest yields of gasoline and higher yields of residual products for fuel oil blending,
  - (ii) Catalytic cracking Hydrocarbon vapors are passed at approximately 400C (750F) over a metallic catalyst (e.g., silica-alumina or platinum); the complex recombinations (alkylation, polymerization, isomerization, etc.) occur within seconds to yield high-octane gasoline. Process yields less residual oils and light gases than thermal cracking;
- (g) Coking A thermal cracking process for the conversion of heavy low grade products, such as reduced crude, straight run pitch, cracked tars, and shale oil into solid coke (carbon) and lower boiling hydrocarbon products which are suitable as feed for other refinery units for conversion into lighter products; and
- (h) Isomerization The refinery process of converting petroleum compounds into their isomers.

**Note 3:** For the purposes of heading 27.10, "direct blending" is defined as a refinery process whereby various petroleum streams from processing units and petroleum components from holding/storage tanks combine to create a finished product, with pre-determined parameters, classified under heading 27.10, provided that the non-originating material constitutes no more than 25 percent by volume of the good.

**Note 4:** For the purposes of determining whether or not a good of heading 27.09 is an originating good, the origin of diluent of heading 27.09 or 27.10 that is used to facilitate the transportation between Parties of crude petroleum oils and crude oils obtained from bituminous minerals of heading 27.09 is disregarded, provided that the diluent constitutes no more than 40 per cent by volume of the good.

27.01-27.03	A change to heading 27.01 through 27.03 from any other chapter.
27.04	A change to heading 27.04 from any other heading.
27.05-27.06	A change to heading 27.05 through 27.06 from any other heading, including another heading within that group.
2707.10-2707.91	A change to subheading 2707.10 through 2707.91 from any other heading; or
	A change to subheading 2707.10 through 2707. 91 from any other subheading within heading 27.07, whether or not there is also a change from any other heading, provided that the good resulting from such change is the product of a chemical reaction.
2707.99	A change to subheading 2707.99 from any other heading;
	A change to phenols of subheading 2707.99 from within that subheading or any other subheading within heading 27.07, whether or not there is also a change from any other heading, provided that the good resulting from such change is the product of a chemical reaction; or
	A change to any other good of subheading 2707.99 from phenols of that subheading or any other subheading within heading 27.07, whether or not there is also a change from any other heading, provided that the good resulting from such change is the product of a chemical reaction.
27.08-27.09	A change to heading 27.08 through 27.09 from any other heading, including another heading within that group.
27.10	A change to heading 27.10 from any other heading, except from heading 27.11 through 27.15;
	Production of any good of heading 27.10 as the result of atmospheric distillation, vacuum distillation, catalytic hydroprocessing, catalytic reforming, alkylation, catalytic cracking, thermal cracking, coking or isomerization; or

Production of any good of heading 27.10 as the result of direct blending,

	provided that (1) the non-originating material is classified in Chapter 27, (2) no component of that non-originating material is classified under heading 22.07, and (3) the non-originating material constitutes no more than 25 percent by volume of the good.
2711.11	A change to a good of subheading 2711.11 from within that subheading or any other subheading, provided that the non-originating feedstock of subheading 2711.11 constitutes no more than 49 percent by volume of the good.
2711.12-2711.14	A change to a good of subheading 2711.12 through 2711.14 from within that subheading or any other subheading, including another subheading within that group, provided that the non-originating feedstock of subheading 2711.12 through 2711.14 constitutes no more than 49 percent by volume of the good.
2711.19	A change to subheading 2711.19 from any other subheading, except from subheading 2711.29.
2711.21	A change to subheading 2711.21 from any other subheading.
2711.29	A change to subheading 2711.29 from any other subheading, except from subheading 2711.12 through 2711.21.
27.12	A change to heading 27.12 from any other heading.
2713.11-2713.12	A change to subheading 2713.11 through 2713.12 from any other heading.
2713.20	A change to a good of subheading 2713.20 from within that subheading or any other subheading, provided that the non-originating feedstock of subheading 2713.20 constitutes no more than 49 percent by volume of the good.
2713.90	A change to subheading 2713.90 from any other heading, except from heading 27.10 through 27.12, subheading 2713.11 through 2713.20 or heading 27.14 through 27.15.
27.14	A change to heading 27.14 from any other heading.
27.15	A change to heading 27.15 from any other heading, except from subheading 2713.20 or heading 27.14.

27.16 A change to heading 27.16 from any other heading.

### **Section VI - Products of the Chemical or Allied Industries (Chapter 28-38)**

#### Note 1:

A good of any chapter or heading in Section VI that satisfies one or more of Rules 1 through 8 of this Section shall be treated as an originating good, except as otherwise specified in those rules.

#### Note 2:

Notwithstanding Note 1, a good is an originating good if it meets the applicable change in tariff classification or satisfies the applicable value content requirement specified in the rules of origin in this Section.

#### **Rule 1: Chemical Reaction Rule**

A good of Chapters 28 through 38, except a good of headings 33.01 or 38.23, or subheadings 2916.32 or 3502.11 through 3502.19, that results from a chemical reaction in the territory of one or more of the Parties shall be treated as an originating good.

For purposes of this rule, a "chemical reaction" is a process (including a biochemical process) that results in a molecule with a new structure by breaking intramolecular bonds and by forming new intramolecular bonds, or by altering the spatial arrangement of atoms in a molecule.

The following are not considered to be chemical reactions for the purposes of determining whether a good is an originating good:

- (a) dissolution in water or in another solvent;
- (b) the elimination of solvents, including solvent water; or
- (c) the addition or elimination of water of crystallisation.

#### **Rule 2: Purification Rule**

A good of Chapters 28 through 38, except for a good of heading 33.01 or subheadings 3502.11 through 3502.19, that is subject to purification is an originating good, provided that the purification occurs in the territory of one or more of the Parties and results in the following:

- (a) the elimination of not less than 80 percent of the content of existing impurities; or
- (b) the reduction or elimination of impurities resulting in a good suitable for one or more of the following:

- (i) as a pharmaceutical, medical, cosmetic, veterinary, or food grade substance;
- (ii) as a chemical product or reagent for analytical, diagnostic, or laboratory uses;
- (iii) as an element or component for use in micro-elements;
- (iv) for specialized optical uses;
- (v) for non-toxic uses for health and safety
- (vi) for biotechnical use (e.g. in cell culturing, in genetic technology, or as a catalyst);
- (vii) as a carrier used in a separation process; or
- (viii) for nuclear grade uses.

#### **Rule 3: Mixtures and Blends Rule**

A good of Chapters 28 through 38, except for a good of chapters 28, 29 or 32, heading 33.01 or 38.08, or subheadings 3502.11 through 3502.19 is an originating good if the deliberate and proportionally controlled mixing or blending (including dispersing) of materials other than the addition of diluents, to conform to predetermined specifications occurs in the territory of one or more of the Parties, resulting in the production of a good having essential physical or chemical characteristics that are relevant to the purposes or uses of the good and are different from the input materials.

#### **Rule 4: Change in Particle Size Rule**

A good of Chapters 28 through 38, except for a good of chapters 28, 29, 32 or 38, heading 33.01, or subheadings 3502.11 through 3502.19, is an originating good if the deliberate and controlled modification in particle size of a good, including micronizing by dissolving a polymer and subsequent precipitation, other than by merely crushing or pressing, occurs in the territory of one or more of the Parties, resulting in a good with a defined particle size, defined particle size distribution, or defined surface area, that is relevant to the purposes of the resulting good, and having essential physical or chemical characteristics different from the input materials.

#### Rule 5: Standards Materials Rule

A standards material of Chapters 28 through 38, except for a good of heading 33.01, or subheadings 3502.11 through 3502.19 is an originating good if it is produced in the territory of one or more of the Parties.

For the purposes of this rule, a "standards material" (including a standard solution) is a preparation suitable for analytical, calibrating, or referencing uses, having precise degrees of purity or proportions that are certified by the manufacturer.

#### **Rule 6: Isomer Separation Rule**

A good of Chapters 28 through 38, except for a good of heading 33.01, or subheadings 3502.11 through 3502.19 is an originating good if the isolation or separation of isomers from mixtures of isomers occurs in the territory of one or more of the Parties.

# **Rule 7: Separation Prohibition Rule**

A good of Chapters 28 through 38, except for a good of heading 33.01, or subheadings 3502.11 through 3502.19, that undergoes a change from one classification to another in the territory of one or more of the Parties as a result of the separation of one or more materials from a man-made mixture shall not be treated as an originating good unless the isolated material underwent a chemical reaction in the territory of one or more of the Parties.

## **Rule 8: Biotechnological Processes Rule**

A good of Chapters 28 through 38, except for a good of chapter 30, headings 29.30 through 29.42, heading 33.01, or subheadings 3502.11 through 3502.19, is an originating good if it undergoes a biochemical process or through one or more of the following processes

- (a) Biological or biotechnological culturing, hybridization or genetic modification of:
  - (i) Micro-organisms (bacteria, viruses (includes phages) etc., or
  - (ii) Human, animal or plant cells;
- (b) Production, isolation or purification of cellular or intercellular structures (such as isolated genes, gene fragments and plasmids); or
- (c) Products obtained by fermentation

# <u>Chapter 28 Inorganic Chemicals; Organic or Inorganic Compounds of Precious Metals, of Rare-Earth Metals, of Radioactive Elements or of Isotopes</u>

2801.10-2853.00 A change to subheading 2801.10 through 2853.00 from any other subheading, including another heading within that group; or

A change to subheading 2801.10 through 2853.00, whether or not there is also a change from any other subheading, provided there is a regional value content of not less than:

- (a) 40 percent where the transaction value method is used, or
- (b) 30 percent where the net cost method is used.

## **Chapter 29 Organic Chemicals**

2901.10 - 2942.00

A change to subheading 2901.10 through 2942.00 from any other subheading, including another subheading within that group; or

A change to subheading 2901.10 through 2942.00, except for a good of subheading 2916.32 whether or not there is also a change from any other subheading, provided there is a regional value content of not less than:

- (a) 40 percent where the transaction value method is used, or
- (b) 30 percent where the net cost method is used.

### **Chapter 30 Pharmaceutical Products**

3001.20 - 3003.90

A change to subheading 3001.20 through 3003.90 from any other subheading.

30.04

A change to heading 30.04 from any other heading, except from heading 30.03; or

A change to subheading 30.04 from heading 30.03 or any other subheading, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

3005.10-3005.90

A change to subheading 3005.10 through 3005.90 from any other heading; or

A change to subheading 3005.10 through 3005.90 from any other subheading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

3006.10-3006.50 A change to subheading 3006.10 through 3006.50 from any other subheading, including another subheading within that group.

3006.60 A change to subheading 3006.60 from any other heading; or

A change to subheading 3006.60 from any other subheading, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 3006.70 from any other chapter, except from Chapter 28 through 38; or

A change to subheading 3006.70 from any other subheading, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

3006.91-3006.92 A change to subheading 3006.91 through 3006.92 from any other subheading.

#### **Chapter 31 Fertilizers**

3101.00-3105.90 A change to subheading 3101.00 through 3105.90 from any other good

within these subheadings or any other subheading, including another

subheading within that group.

# <u>Chapter 32 Tanning or Dyeing Extracts; Tannins and Their Derivatives; Dyes, Pigments and Other Colouring Matter; Paints and Varnishes; Putty and Other Mastics; Inks</u>

Note 1:Pigments or coloring materials classified under heading 32.06 and 32.12 shall be disregarded in determining the origin of the goods classified under heading 32.07 through 32.15, except for any such pigments or materials based on titanium dioxide.

3201.10-3202.90	A change to subheading 3201.10 through 3202.90 from any other subheading, including another subheading within that group.
32.03	A change to heading 32.03 from any other heading.
3204.11-3204.90	A change to subheading 3204.11 through 3204.90 from any other subheading, including another subheading within that group.
3205.00	A change to subheading 3205.00 from any other subheading; or
	A change to subheading 3205.00 from any other subheading, whether or not there is also a change from any other subheading, provided there is a regional value content of not less than:
	(a) 40 percent where the transaction value method is used, or
	(b) 30 percent where the net cost method is used.
3206.11-3206.42	A change to subheading 3206.11 through 3206.42 from any other subheading.
3206.49	A change to pigments and preparations based on cadmium compounds of subheading 3206.49 from any other good of subheading 3206.49 or any other subheading; or
	A change to pigments and preparations based on hexacyanoferrates (ferrocyanides and ferricyanides) of subheading 3206.49 from any other good of subheading 3206.49 or any other subheading; or
	A change to any other good of subheading 3206.49 from any other subheading.
3206.50	A change to subheading 3206.50 from any other subheading.
3207.10-3215.90	A change to subheading 3207.10 through 3215.90 from any other chapter.
Chapter 33 Essentia	l Oils and Resinoids; Perfumery, Cosmetic or Toilet Preparations
3301.12-3301.13	A change to subheading 3301.12 through 3301.13 from any other chapter;

3301.12-3301.13 A change to subheading 3301.12 through 3301.13 from any other chapter; or

A change to subheading 3301.12 through 3301.13 from any other subheading, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to essential oils of bergamot of subheading 3301.19 from any other good of subheading 3301.19 or any other subheading; or

A change to any other good of subheading 3301.19 from any other chapter; or

A change to any other good of subheading 3301.19 from essential oils of bergamot or of lime of subheading 3301.19 or any other subheading, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.
- A change to subheading 3301.24 through 3301.25 from any other subheading, including another subheading within that group.
- A change to essential oils of geranium, jasmine, lavender, lavandin or vetiver of subheading 3301.29 from any other good of subheading 3301.29 or any other subheading;

A change to any other good of subheading 3301.29 from any other chapter; or

A change to any other good of subheading 3301.29 from essential oils of geranium, jasmine, lavender, lavandin or vetiver of subheading 3301.29 or any other subheading within Chapter 33, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

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3301.30-3301.90	A change to subheading 3301.30 through 3301.90 from any other chapter;
	or

A change to subheading 3301.30 through 3301.90 from any other subheading, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

33.02 - 32.03 A change to heading 33.02 through 32.03 from any other heading.

A change to subheading 3304.10 through 3305.90 from any other subheading, including another subheading within that group.

3306.10-3307.90 A change to subheading 3307.10 through 3307.90 from any other heading.

# Chapter 34 Soap, Organic Surface-active Agents, Washing Preparations, Lubricating Preparations, Artificial Waxes, Prepared Waxes, Polishing or Scouring Preparations, Candles and Similar Articles, Modelling Pastes, "Dental Waxes" and Dental Preparations with a Basis of Plaster

34.01 A change to heading 3401 from any other heading.

34.02-34.04 A change to heading 3402 through 3404 from any other subheading, including another subheading within that group; or

No required change in tariff classification to heading 3402 through 3404, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

34.05-34.07 A change to heading 34.05 through 34.07 from any other heading, including another heading within that group.

#### Chapter 35 Albuminoidal Substances; Modified Starches; Glues; Enzymes

A change to heading 35.01 from any other heading; or

No required change in tariff classification to heading 35.01, provided there is a regional value content of not less than:

- (a) 65 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

3502.11-3502.19 A change to subheading 3502.11 through 3502.19 from any other heading.

3502.20-3502.90 A change to subheading 3502.20 through 3502.90 from any other heading; or

No required change in tariff classification to subheading 3502.20 through 3502.90, provided there is a regional value content of not less than:

- (a) 65 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

3503.00-3507.90 A change to subheading 3503.00 through 3507.90 from any other subheading, including another subheading within that group; or

No required change in tariff classification to subheading 3503.00 through 3507.90, provided there is a regional value content of not less than:

- (a) 40 percent where the transaction value method is used, or
- (b) 30 percent where the net cost method is used.

# <u>Chapter 36 Explosives; Pyrotechnic Products; Matches; Pyrophoric Alloys; Certain Combustible Preparations</u>

36.01-36.06 A change to heading 36.01 through 36.06 from any other heading, including another heading within that group.

#### **Chapter 37 Photographic or Cinematographic Goods**

37.01-37.03 A change to heading 37.01 through 37.03 from any heading outside that group.

37.04- 37.07 A change to heading 37.04 through 37.07 from any other heading, including another heading within that group.

#### **Chapter 38 Miscellaneous Chemical Products**

3801.10-3807.00	A change to subheading 3801.10 through 3807.00 from any other subheading, including another subheading within that group; or
	No required change in tariff classification to subheading 3801.10 through 3807.00, provided there is a regional value content of not less than:
	(a) 40 percent where the transaction value method is used, or
	(b) 30 percent where the net cost method is used.
3808.50-3808.99	A change to subheading 3808.50 through 3808.99 from any other subheading provided that not less than 50 percent by weight of the total active ingredient or ingredients is originating.
3809.10-3821.00	A change to subheading 3809.10 through 3821.00 from any other subheading; or
	No change in tariff classification is required provided that there is a regional value content of not less than:
	(a) 40 percent where the transaction value method is used, or
	(b) 30 percent where the net cost method is used.
38.22	A change to heading 38.22 from any other heading.
3823.11-3826.00	A change to subheading 3823.11 through 3826.00 from any other subheading; or
	No change in tariff classification is required provided that there is a regional value content of not less than:
	(a) 40 percent where the transaction value method is used, or
	(b) 30 percent where the net cost method is used.
Section VII - Plastic	cs and Articles Thereof; Rubber and Articles Thereof (Chapter 39-40)

# Note 1:

**Notes to Section VII:** 

A good of any chapter or heading in Section VII that satisfies one or more of Rules 1 through 7 of this Section shall be treated as an originating good, except as otherwise specified in those rules.

#### Note 2:

Notwithstanding Note 1, a good is an originating good if it meets the applicable change in tariff classification or satisfies the applicable value content requirement specified in the rules of origin in this Section.

#### **Rule 1: Chemical Reaction Rule**

A good of Chapters 39 through 40 that results from a chemical reaction in the territory of one or more of the Parties shall be treated as an originating good.

For purposes of this rule, a "chemical reaction" is a process (including a biochemical process) that results in a molecule with a new structure by breaking intramolecular bonds and by forming new intramolecular bonds, or by altering the spatial arrangement of atoms in a molecule.

The following are not considered to be chemical reactions for the purposes of determining whether a good is an originating good:

- (a) dissolution in water or in another solvent;
- (b) the elimination of solvents, including solvent water; or
- (c) the addition or elimination of water of crystallization.

#### **Rule 2: Purification Rule**

A good of Chapters 39 through 40 that is subject to purification is an originating good, provided that the purification occurs in the territory of one or more of the Parties and results in the following:

- (a) the elimination of not less than 80 percent of the content of existing impurities; or
- (b) the reduction or elimination of impurities resulting in a good suitable for one or more of the following:
  - (i) as a pharmaceutical, medical, cosmetic, veterinary, or food grade substance;
  - (ii) as a chemical product or reagent for analytical, diagnostic, or laboratory uses;

- (iii) as an element or component for use in micro-elements;
- (iv) for specialized optical uses;
- (v) for non-toxic uses for health and safety
- (vi) for biotechnical use (e.g. in cell culturing, in genetic technology, or as a catalyst);
- (vii) as a carrier used in a separation process; or
- (viii) for nuclear grade uses.

#### **Rule 3: Mixtures and Blends Rule**

A good of Chapter 39 an originating good if the deliberate and proportionally controlled mixing or blending (including dispersing) of materials, other than the addition of diluents, to conform to predetermined specifications occurs in the territory of one or more of the Parties, resulting in the production of a good having essential physical or chemical characteristics that are relevant to the purposes or uses of the good and are different from the input materials.

#### **Rule 4: Change in Particle Size Rule**

A good of Chapter 39 is an originating good if the deliberate and controlled modification in particle size of a good, including micronizing by dissolving a polymer and subsequent precipitation, other than by merely crushing or pressing, occurs in the territory of one or more of the Parties, resulting in a good with a defined particle size, defined particle size distribution, or defined surface area, that is relevant to the purposes of the resulting good, and having essential physical or chemical characteristics different from the input materials.

#### Rule 5: Standards Materials Rule

A standards material of Chapter 39 is an originating good if it is produced in the territory of one or more of the Parties.

For the purposes of this rule, a "standards material" (including a standard solution) is a preparation suitable for analytical, calibrating, or referencing uses, having precise degrees of purity or proportions that are certified by the manufacturer.

#### **Rule 6: Isomer Separation Rule**

A good of Chapter 39 is an originating good if the isolation or separation of isomers from mixtures of isomers occurs in the territory of one or more of the Parties.

#### **Rule 7: Biotechnological Processes Rule**

A good of Chapter 39 is an originating good if it undergoes a biochemical process or through one or more of the following processes

- (a) Biological or biotechnological culturing, hybridization or genetic modification of:
  - (i) Micro-organisms (bacteria, viruses (includes phages) etc., or
  - (ii) Human, animal or plant cells;
- (b) Production, isolation or purification of cellular or intercellular structures (such as isolated genes, gene fragments and plasmids); or
- (c) Products obtained by fermentation

#### **Chapter 39 Plastics and Articles Thereof**

39.01-39.15	A change to heading 39.01 through 39.15 from any other heading, provided that the originating polymer content in heading 39.01 through 39.15 is not less than 50 percent by weight of the total polymer content.
39.16-39.26 <sup>1</sup>	A change to heading 39.15 through 39.26 from any other heading,

#### **Chapter 40 Rubber and Articles Thereof**

4001.10-4002.99	A change to subheading 4001.10 through 4002.99 from any other subheading, including another subheading within that group.
40.03-40.04	A change to heading 40.03 through 40.04 from any other heading, including another heading within that group.
40.05-40.06	A change to heading 40.05 through 40.06 from any other heading, including another heading within that group, except from heading 40.01; or
	A change to heading 40.05 through 40.06 from heading 40.01, whether or not there is also a change from any other heading, including another

<sup>&</sup>lt;sup>1</sup> If the good provided for in subheading 3926.90 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

heading within that group, provided there is a regional value content of not less than:

- (a) 35 percent where the transaction value method is used, or
- (b) 25 percent where the net cost method is used.

40.07-40.08

A change to heading 40.07 through 40.08 from any heading outside that group.

4009.11

A change to subheading 4009.11 from any other heading, except from heading 40.10 through 40.17.

 $4009.12^2$ 

A change to tubes, pipes or hoses of subheading 4009.12, of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from any other heading, except from heading 40.10 through 40.17;

A change to tubes, pipes or hoses of subheading 4009.12, of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from subheading 4009.11 through 4017.00, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to tubes, pipes or hoses of subheading 4009.12, other than those of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from any other heading, except from heading 40.10 through 40.17.

4009.21

A change to subheading 4009.21 from any other heading, except from heading 40.10 through 40.17.

<sup>&</sup>lt;sup>2</sup> If the good provided for in subheading 4009.12 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

 $4009.22^3$ 

A change to tubes, pipes or hoses of subheading 4009.22, of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from any other heading, except from heading 40.10 through 40.17;

A change to tubes, pipes or hoses of subheading 4009.22, of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from subheading 4009.11 through 4017.00, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to tubes, pipes or hoses of subheading 4009.22, other than those of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from any other heading, except from heading 40.10 through 40.17.

4009.31<sup>4</sup>

A change to subheading 4009.31 from any other heading, except from heading 40.10 through 40.17.

 $4009.32^{5}$ 

A change to tubes, pipes or hoses of subheading 4009.32, of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from any other heading, except from heading 40.10 through 40.17;

A change to tubes, pipes or hoses of subheading 4009.32, of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from subheading 4009.11 through 4017.00, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

<sup>&</sup>lt;sup>3</sup> If the good provided for in subheading 4009.22 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>4</sup> If the good is for use in a vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>5</sup> If the good is for use in a vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to tubes, pipes or hoses of subheading 4009.32, other than those of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from any other heading, except from heading 40.10 through 40.17.

4009.41

A change to subheading 4009.41 from any other heading, except from heading 40.10 through 40.17.

 $4009.42^6$ 

A change to tubes, pipes or hoses of subheading 4009.42, of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from any other heading, except from heading 40.10 through 40.17;

A change to tubes, pipes or hoses of subheading 4009.42, of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from subheading 4009.11 through 4017.00, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to tubes, pipes or hoses of subheading 4009.42, other than those of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from any other heading, except from heading 40.10 through 40.17.

40.10-40.11<sup>7</sup>

A change to heading 40.10 through 40.11 from any other heading, except from heading 40.09 through 40.17.

<sup>&</sup>lt;sup>6</sup> If the good is for use in a vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>7</sup> If the good provided for in subheadings 4011.10 or 4011.22 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply. If the good provided

4012.11-4012.198	A change to subheading 4012.11 through 4012.19 from any subheading outside that group.
4012.20-4012.90	A change to subheading 4012.20 through 4012.90 from any other heading.
40.13-40.159	A change to heading 40.13 through 40.15 from any other heading, including another heading within that group.
4016.10-4016.95 <sup>10</sup>	A change to subheading 4016.10 through 4016.95 from any other heading.
4016.99 <sup>11</sup>	
4016.99.aa	A change to tariff item 4016.99.aa from any other heading; or
	A change to tariff item 4016.99.aa from any other subheading, provided there is a regional value content of not less than 50 percent under the net cost method.
4016.99	A change to subheading 4016.99 from any other heading.
40.17	A change to heading 40.17 from any other heading.

Section VIII - Raw Hides and Skins, Leather, Furskins and Articles Thereof; Saddlery and Harness; Travel Goods, Handbags and Similar Containers; Articles of Animal Gut (Other Than Silk-worm Gut) (Chapter 41-43)

#### Chapter 41 Raw Hides and Skins (Other Than Furskins) and Leather

for in subheadings 4010.31, 4010.32, 4010.33, 4010.34, or 4010.39 is for use in a motor vehicle of Chapter 87 as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>8</sup> If the good provided for in subheading 4012.11, 4012.12, or 4012.19 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>9</sup> If the good provided for in subheadings 4013.10 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>10</sup> If the good provided for in subheadings 4016.10 or 4016.93 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>11</sup> If the good provided for in subheading 4016.99 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

41.01	A change to hides or skins of heading 41.01 which have undergone a tanning (including pre-tanning) process which is reversible from any other good of heading 41.01 or any other chapter; or
	A change to any other good of heading 41.01 from any other chapter.
41.02	A change to hides or skins of heading 41.02 which have undergone a tanning (including pre-tanning) process which is reversible from any other good of heading 41.02 or any other chapter; or
	A change to any other good of heading 41.02 from any other chapter.
41.03	A change to hides or skins of heading 41.03, except hides or skins of camels or dromedaries of heading 41.03, which have undergone a tanning (including pre-tanning) process which is reversible from any other good of heading 41.03 or any other chapter;
	A change to hides or skins of camels or dromedaries of heading 41.03 from any other chapter, except from Chapter 43; or
	A change to any other good of heading 41.03 from any other chapter.
41.04	A change to heading 41.04 from any other heading, except from 41.07.
4105.10	A change to subheading 4105.10 from heading 41.02 or any other chapter.
4105.30	A change to subheading 4105.30 from heading 41.02, subheading 4105.10 or any other chapter.
4106.21	A change to subheading 4106.21 from subheading 4103.10 or any other chapter.
4106.22	A change to subheading 4106.22 from subheading 4103.10 or 4106.21 or any other chapter.
4106.31	A change to subheading 4106.31 from subheading 4103.30 or any other chapter.
4106.32	A change to subheading 4106.32 from subheading 4103.30 or 4106.31 or any other chapter.
4106.40	A change to tanned hides and skins in the wet state (including wet-blue) of subheading 4106.40 from subheading 4103.20 or any other chapter; or

	A change to crust hides and skins of subheading 4106.40 from subheading 4103.20 or tanned hides and skins in the wet state (including wet-blue) of subheading 4106.40 or any other chapter.
4106.91	A change to subheading 4106.91 from subheading 4103.90 or any other chapter.
4106.92	A change to subheading 4106.92 from subheading 4103.90 or 4106.91 or any other chapter.
41.07	A change to heading 41.07 from heading 41.01 or any other chapter.
41.12	A change to heading 41.12 from heading 41.02, subheading 4105.10 or any other chapter.
41.13	A change to heading 41.13 from heading 41.03, subheading 4106.21 or 4106.31, tanned hides and skins in the wet state (including wet-blue) of subheading 4106.40, subheading 4106.91 or any other chapter.
41.14	A change to heading 41.14 from heading 41.01 through 41.03, subheading 4105.10, 4106.21, 4106.31 or 4106.91 or any other chapter.
4115.10-4115.20	A change to subheading 4115.10 through 4115.20 from heading 41.01 through 41.03 or any other chapter.

# <u>Chapter 42 Articles of Leather; Saddlery and Harness; Travel Goods, Handbags and Similar Containers; Articles of Animal Gut (Other Than Silk-Worm Gut)</u>

42.01	A change to heading 42.01 from any other chapter.
4202.11	A change to subheading 4202.11 from any other chapter.
4202.12	A change to subheading 4202.12 from any other chapter, except from heading 54.07, 54.08 or 55.12 through 55.16, or fabric of man-made fibers of subheading 5903.10, fabric of man-made fibers of subheading 5903.20, fabric of man-made fibers of subheading 5903.90, fabric of man-made fibers of subheading 5906.99 or fabric of man-made fibers of subheading 5907.00.
4202.19-4202.21	A change to subheading 4202.19 through 4202.21 from any other chapter.
4202.22	A change to subheading 4202.22 from any other chapter, except from heading 54.07, 54.08 or 55.12 through 55.16, or fabric of man-made fibers of subheading 5903.10, fabric of man-made fibers of subheading 5903.20,

	fabric of man-made of subheading 5903.90, fabric of man-made fibers of subheading 5906.99 or fabric of man-made fibers of subheading 5907.00.
4202.29-4202.31	A change to subheading 4202.29 through 4202.31 from any other chapter.
4202.32	A change to subheading 4202.32 from any other chapter, except from heading 54.07, 54.08 or 55.12 through 55.16, or fabric of man-made fibers of subheading 5903.10, fabric of man-made fibers of subheading 5903.20, fabric of man-made fibers of subheading 5903.90, fabric of man-made fibers of subheading 5906.99 or fabric of man-made fibers of subheading 5907.00.
4202.39-4202.91	A change to subheading 4202.39 through 4202.91 from any other chapter.
4202.92	A change to subheading 4202.92 from any other chapter, except from heading 54.07, 54.08 or 55.12 through 55.16, or fabrics of man-made fibers of subheading 5903.10, fabric of man-made fibers of subheading 5903.20, fabric of man-made fibers of subheading 5903.90, fabric of man-made fibers of subheading 5906.99 or fabric of man-made fibers of subheading 5907.00.
4202.99	A change to subheading 4202.99 from any other chapter.
42.03-42.06	A change to heading 42.03 through 42.06 from any other chapter.

#### **Chapter 43 Furskins and Artificial Fur; Manufactures Thereof**

43.01	A change to heading 43.01 from any other chapter.
43.02	A change to heading 43.02 from any other heading.
43.03-43.04	A change to heading 43.03 through 43.04 from any heading outside that group.

Section IX - Wood and Articles of Wood; Wood Charcoal; Cork and Articles of Cork; Manufactures of Straw, of Esparto or of Other Plaiting Materials; Basketware and Wickerwork (Chapter 44-46)

#### **Chapter 44 Wood and Articles of Wood; Wood Charcoal**

44.01-44.21 A change to heading 44.01 through 44.21 from any other heading, including another heading within that group.

#### **Chapter 45 Cork and Articles of Cork**

45.01-45.02	A change to heading 45.01 through 45.02 from any other heading, including another heading within that group.
4503.10	A change to a good of subheading 4503.10 from any other good within that subheading or any other subheading.
4503.90	A change to subheading 4503.90 from any other heading.
45.04	A change to heading 45.04 from any other heading.

# <u>Chapter 46 Manufactures of Straw, of Esparto or of Other Plaiting Materials; Basketware and Wickerwork</u>

46.01 A change to heading 46.01 from any other chapter.

A change to heading 46.02 from any other heading.

Section X - Pulp of Wood or of other Fibrous Cellulosic Material; Waste and Scrap of Paper or Paperboard; Paper and Paperboard and Articles Thereof (Chapter 47-49)

# Chapter 47 Pulp of Wood or of Other Fibrous Cellulosic Material; Waste and Scrap of Paper or Paperboard

47.01-47.07 A change to heading 47.01 through 47.07 from any other chapter.

#### Chapter 48 Paper and Paperboard; Articles of Paper Pulp, of Paper or of Paperboard

48.01 A change to heading 48.01 from any other chapter.

A change to paper or paperboard in strips or rolls of a width not exceeding 15 cm of heading 48.02 from strips or rolls of a width exceeding 15 cm of heading 48.02 or any other heading, except from heading 48.17 through 48.23;

A change to paper or paperboard in rectangular (including square) sheets with the larger dimension not exceeding 36 cm or the other dimension not exceeding 15 cm in the unfolded state of heading 48.02 from strips or rolls of a width exceeding 15 cm of heading 48.02, paper or paperboard in rectangular (including square) sheets with the larger dimension exceeding 36 cm and the other dimension exceeding 15 cm in the unfolded state of heading 48.02 or any other heading, except from heading 48.17 through 48.23; or

A change to any other good of heading 48.02 from any other chapter.

48.03-48.07

A change to heading 48.03 through 48.07 from any other chapter.

48.08-48.09

A change to heading 48.08 through 48.09 from any heading outside that group.

48.10

A change to paper or paperboard in strips or rolls of a width not exceeding 15 cm of heading 48.10 from strips or rolls of a width exceeding 15 cm of heading 48.10 or any other heading, except from heading 48.17 through 48.23;

A change to paper or paperboard in rectangular (including square) sheets with the larger dimension not exceeding 36 cm or the other dimension not exceeding 15 cm in the unfolded state of heading 48.10 from strips or rolls of a width exceeding 15 cm of heading 48.10, paper or paperboard in rectangular (including square) sheets with the larger dimension exceeding 36 cm and the other dimension exceeding 15 cm in the unfolded state of heading 48.10 or any other heading, except from heading 48.17 through 48.23; or

A change to any other good of heading 48.10 from any other chapter.

48.11

A change to paper or paperboard in strips or rolls of a width not exceeding 15cm of heading 48.11 from strips or rolls of a width exceeding 15 cm of heading 48.11, floor coverings on a base of paper or paperboard of heading 48.11 or any other heading, except from heading 48.17 through 48.23;

A change to paper or paperboard in rectangular (including square) sheets with the larger dimension not exceeding 36 cm or the other dimension not exceeding 15 cm in the unfolded state of heading 48.11 from strips or rolls of a width exceeding 15 cm of heading 48.11, paper or paperboard in rectangular (including square) sheets with the larger dimension exceeding 36 cm and the other dimension exceeding 15 cm in the unfolded state of heading 48.11, floor coverings on a base of paper or paperboard of heading 48.11 or any other heading, except from heading 48.17 through 48.23;

A change to floor coverings on a base of paper or paperboard of heading 48.11 from any other good of heading 48.11 or any other heading, except from heading 48.14 or floor coverings on a base of paper or paperboard of subheading 4823.90; or

	A change to any other good of heading 48.11 from floor coverings on a base of paper or paperboard of heading 48.11 or any other chapter.
48.12-48.13	A change to heading 48.12 through 48.13 from any other chapter.
48.14	A change to heading 48.14 from any other heading, except from floor coverings on a base of paper or paperboard of heading 48.11.
48.16	A change to heading 48.16 from any other heading, except from heading 48.09.
48.17-48.22	A change to heading 48.17 through 48.22 from any heading outside that group, except from heading 48.23.
48.23	A change to strips or rolls of a width of 15 cm or less of heading 48.23 from strips or rolls of a width exceeding 15 cm of heading 48.23, other than strips or rolls of heading 48.23 which, but for their width, would be classified in heading 48.03, 48.09 or 48.14, floor coverings on a base of paper or paperboard of heading 48.23, or any other heading, except from heading 48.17 through 48.22;

A change to strips or rolls of a width exceeding 15 cm of heading 48.23 from floor coverings on a base of paper or paperboard of heading 48.23, or any other heading, except from heading 48.17 through 48.22;

A change to floor coverings on a base of paper or paperboard of heading 48.23 from any other good of heading 48.23 or any other heading, except from floor coverings on a base of paper or paperboard of heading 48.11 or 48.14; or

A change to any other good of heading 48.23 from strip or rolls of a width exceeding 15 cm of heading 48.23, other than strips or rolls of heading 48.23 which but for their width would be classified in heading 48.03, 48.09 or 48.14, floor coverings on a base of paper or paperboard of heading 48.23, or any other heading, except from strip or rolls of a width exceeding 15 cm but not exceeding 36 cm or paper or paperboard in rectangular (including square) sheets with one side not exceeding 15 cm in the unfolded state of heading 48.02, 48.10 or 48.11, or from heading 48.17 through 48.22.

#### <u>Chapter 49 Printed Books, Newspapers, Pictures and Other Products of the Printing</u> Industry; Manuscripts, Typescripts and Plans

49.01-49.11 A change to heading 49.01 through 49.11 from any other chapter.

### **Section XI - Textiles and Textile Articles (Chapter 50-63)**

Note: The textile and apparel rules should be read in conjunction with Chapter 6 (Textile and Apparel Goods). For purposes of these rules, the term "wholly" means that the good is made entirely or solely of the named material.

**Note:** A good classified in Chapters 50 through 63 shall be considered originating, notwithstanding the origin of the following inputs, provided that the good otherwise meets the applicable product specific rule:

- (a) rayon filament, other than lyocell or acetate, of heading 54.03 or 54.05.
- (b) rayon fiber, other than lyocell or acetate, of heading 55.02, 55.04, or 55.07.

Chapter 50	Silk				
50.01 - 50.03	A change to heading 50.01 through 50.03 from any other chapter.				
50.04 - 50.06	A change to heading 50.04 through 50.06 from any heading outside that group.				
50.07	A change to heading 50.07 from any other heading.				
Chapter 51	Wool, Fine or Coarse Animal Hair; Horsehair Yarn and Woven <u>Fabric</u>				
51.01 – 51.05	A change to heading 51.01 through 51.05 from any other chapter.				
51.06 – 51.10	A change to heading 51.06 through 51.10 from any heading outside that group.				
51.11 – 51.13	For the purposes of trade between Canada and the United States, for 51.11 through 51.13:				
	(a) a change to woven fabrics (other than tapestry fabrics or upholstery fabrics of a weight not exceeding 140 grams per square meter) of combed fine animal hair of subheading 5112.11 from yarn of combed camel hair or combed cashmere of subheading 5108.20 or any other heading (except from headings 51.06 through 51.07, any other good of heading 51.08, or headings 51.09 through 51.11, 52.05 through 52.06, 54.01 through 54.04, or 55.09 through 55.10).				

(b) a change to woven fabrics, other than tapestry or upholstery fabrics, of combed fine animal hair of subheading 5112.19 from yarn of combed camel hair or combed cashmere of subheading 5108.20 or any other heading (except from headings 51.06 through 51.07, any other good of heading 51.08 or headings 51.09 through 51.11, 52.05 through 52.06, 54.01 through 54.04 or 55.09 through 55.10).

For any other trade between the Parties for 51.11 through 51.13, a change to heading 51.11 through 51.13 from any heading outside that group except from heading 51.06 through 51.10, 52.05 through 52.06, 54.01 through 54.04 or 55.09 through 55.10.

Chapter 52	Cotton				
52.01 –52.07	A change to heading 52.01 through 52.07 from any other chapter, except from heading 54.01 through 54.05 or 55.01 through 55.07.				
52.08 – 52.12	A change to heading 52.08 through 52.12 from any heading outside that group, except from heading 51.06 through 51.10, 52.05 through 52.06, 54.01 through 54.04 or 55.09 through 55.10.				
Chapter 53	Other Vegetable Textile Fibers; Paper Yarn and Woven Fabrics of				
	Paper Yarn				
53.01 – 53.05	A change to heading 53.01 through 53.05 from any other chapter.				
53.06 - 53.08	A change to heading 53.06 through 53.08 from any heading outside that group.				
53.09 – 53.11	A change to heading 53.09 through 53.11 from any other heading.				
Chapter 54	Man-Made Filaments				
54.01 – 54.06	A change to heading 54.01 through 54.06 from any other chapter, except from heading 52.01 through 52.03 or 55.01 through 55.07.				
54.07	A change to woven fabric of non-textured polyester filaments of subheading 5407.61 from yarns, with a twist of 900 or more turns per meter, wholly of polyesters other than partially oriented measuring no less than 75 decitex but not more than 80 decitex, and having 24 filaments per yarn of subheadings 5402.44, 5402.47 or 5402.52, or any other chapter, except from heading 51.06 through 51.10, 52.05 through 52.06 or 55.09 through 55.10.				

	A change to any other good of heading 54.07 from any other chapter, except from heading 51.06 through 51.10, 52.05 through 52.06 or 55.09 through 55.10.						
54.08	A change to heading 54.08 from any other chapter, except from heading 51.06 through 51.10, 52.05 through 52.06, or 55.09 through 55.10.						
Chapter 55	Man-Made Staple Fibers						
55.01-55.08	A change to heading 55.01 through 55.08 from any other chapter, except from heading 52.01 through 52.03 or 54.01 through 54.05.						
5509.11-5509.22	A change to subheading 5509.11 through 5509.22 from any other chapter, except from heading 52.01 through 52.03 or 54.01 through 54.05.						
5509.31	For the purposes of trade between Canada and the United States, a change to subheading 5509.31 from acid-dyeable acrylic tow of subheading 5501.30, or any other chapter, except from heading 52.01 through 52.03 or 54.01 through 54.05.						
	For all other trade between the Parties, a change to subheading 5509.31 from any other chapter, except from heading 52.01 through 52.03 or 54.01 through 54.05.						
5509.32-5509.99	A change to subheading 5509.32 through 5509.99 from any other chapter, except from heading 52.01 through 52.03 or 54.01 through 54.05.						
55.10-55.11	A change to heading 55.10 through 55.11 from any other chapter, except from heading 52.01 through 52.03 or 54.01 through 54.05.						
55.12 – 55.16	A change to heading 55.12 through 55.16 from any heading outside that group, except from heading 51.06 through 51.10, 52.05 through 52.06, 54.01 through 54.04 or 55.09 through 55.10.						
Chapter 56	Wadding, Felt, and Nonwovens; Special Yarns; Twine, Cordage,						
	Ropes, and Cables and Articles Thereof						
56.01-56.05	A change to heading 56.01 through 56.05 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11 or Chapter 54 through 55.						
56.06	A change to heading 56.06 from flat yarns of subheading 5402.45 (flat yarns means 7 denier/5 filament, 10 denier/7 filament or 12 denier/5 filament, all						

of nylon 66, untextured (flat) semi-dull yarns, multifilament, untwisted or with a twist not exceeding 50 turns per meter, of subheading 5402.45) or any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11 or Chapter 54 through 55.

A change to any other good of heading 56.06 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, or Chapter 54 through 55.

56.07 - 56.09

A change to heading 56.07 through 56.09 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11 or Chapter 54 through 55.

#### **Chapter 57 Carpets and Other Textile Floor Coverings**

57.01 - 57.02 A change to heading

A change to heading 57.01 through 57.02 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.11, Chapter 54 or heading 55.08 through 55.16.

5703.10

A change to subheading 5703.10 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.11, Chapter 54 or heading 55.08 through 55.16.

5703.20-5703.30

For the purposes of trade between Mexico and the United States, a change to subheading 5703.20 through 5703.30 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.11, Chapter 54 or 55.

For all other trade between the Parties, a change to subheading 5703.20 through 5703.30 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.11, Chapter 54 or heading 55.08 through 55.16.

5703.90

A change to subheading 5703.90 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.11, Chapter 54 or heading 55.08 through 55.16.

57.04

For the purposes of trade between Mexico and the United States, a change to heading 57.04 from any chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.11, or Chapter 54 or 55.

For all other trade between the Parties, a change to heading 57.04 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.11, Chapter 54 or heading 55.08 through 55.16.

57.05 A change to heading 57.05 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.11, Chapter 54 or heading 55.08 through 55.16. Special Woven Fabrics; Tufted Textile Fabrics; Lace; Tapestries; Chapter 58 **Trimmings**; Embroidery 58.01 - 58.11For the purposes of trade between Canada and the United States: a change to 5801.36 from any other chapter except heading 5106 (a) through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54, heading 55.01 through 55.02, subheading 5503.10 through 5503.20 or 5503.40 through 5503.90 or heading 55.04 through 55.16 (b) a change to warp pile fabrics, cut, of subheading 5801.37 (if such fabrics are fabrics with pile of dry-spun acrylic staple fibers of subheading 5503.30 and dyed in the piece to a single uniform color) from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 5311, Chapter 54, heading 55.01 through 55.02, subheading 5503.10 through 5503.20 or 5503.40 through 5503.90 or heading 55.04 through 55.16. For all other trade between the Parties, a change to heading 58.01 through 58.11 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, or Chapter 54 through 55. Chapter 59 Impregnated, Coated, Covered, or Laminated Textile Fabrics; Textile **Articles of a Kind Suitable For Industrial Use** 59.01 A change to heading 59.01 from any other chapter, except from heading 51.11 through 51.13, 52.08 through 52.12, 53.10 through 53.11, 54.07 through 54.08 or 55.12 through 55.16.

from heading 51.11 through 51.13, 52.08 through 52.12,53.10 through 53.11, 54.07 through 54.08 or 55.12 through 55.16.

A change to heading 59.03 through 59.08 from any other chapter, except

A change to heading 59.02 from any other heading, except from heading 51.06 through 51.13 52.04 through 52.12, 53.06 through 53.11 or Chapter

54 through 55.

59.02

59.03 - 59.08

59.09	A change to heading 59.09 from any other chapter, except from heading
	51.11 through 51.13, 52.08 through 52.12 or 53.10 through 53.11, Chapter
	54 or heading 55.12 through 55.16.

- 59.10 A change to heading 59.10 from any other heading, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, or Chapter 54 through 55.
- 59.11 A change to heading 59.11 from any other chapter, except from heading 51.11 through 51.13, 52.08 through 52.12, 53.10 through 53.11,54.07 through 54.08 or 55.12 through 55.16.

#### **Chapter 60 Knitted or Crocheted Fabrics**

60.01 – 60.06 A change to heading 60.01 through 60.06 from any other chapter, except from heading 51.06 through 51.13, Chapter 52, heading 53.10 through 53.11, or Chapter 54 through 55.

#### Chapter 61 Articles of Apparel and Clothing Accessories, Knitted or Crocheted

- Note 1: For the purposes of determining the origin of a good of this chapter, the rule applicable to that good shall only apply to the component that determines the tariff classification of the good and such component must satisfy the tariff change requirements set out in the rule for that good.
- Note 2: Effective 18 months from the date of entry into force of the agreement, and notwithstanding Chapter Note 1, a good of this chapter containing fabrics of subheading 5806.20 or heading 60.02 is originating only if such fabrics are both formed from yarn and finished in the territory of one or more of the Parties.
- Note 3: Effective 12 months from the date of entry into force of the agreement, and notwithstanding Chapter Note 1, a good of this chapter containing sewing thread of heading 52.04, 54.01 or 55.08, or yarn of heading 54.02 used as sewing thread shall be considered originating only if such sewing thread is both formed and finished in the territory of one or more of the Parties.
- Note 4: Effective 18 months from the date of entry into force of the agreement, and notwithstanding Chapter Note 1, if a good of this chapter contains a pocket or pockets, the pocket bag fabric must be formed and finished in the territory of one or more of the Parties from yarn wholly formed in one or more of the Parties.

61.01-61.02

A change to heading 61.01 through 61.02 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

6103.10-6103.22

A change to subheading 6103.10 through 6103.22 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

6103.23

For the purposes of trade between Mexico and the United States, a change to sweaters classified in 6110.30 as part of an ensemble of subheading 6103.23, from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or 55 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

For all other trade between the Parties, a change to sweaters classified in 6110.30 as part of an ensemble of subheading 6103.23, from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54, heading 55.08 through 55.16, or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

6103.29-6103.49

A change to subheading 6103.29 through 6103.49 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

6104.13-6104.22

A change to subheading 6104.13 through 6104.22 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

6104.23

For the purposes of trade between Mexico and the United States, a change to sweaters classified in 6110.30 as part of an ensemble of subheading 6104.23, from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or 55 or 60.01

through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

For all other trade between the Parties, a change to sweaters classified in 6110.30 as part of an ensemble of subheading 6104.23, from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54, heading 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

6104.29-6104.69

A change to subheading 6104.29 through 6104.69 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

61.05 - 61.06

A change to heading 61.05 through 61.06 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

6107.11 - 6107.19

A change to subheading 6107.11 through 6107.19 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16 or 60.01 through 60.06, or other made-up textile articles of heading 96.19, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

6107.21

A change to subheading 6107.21 from

(a) circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.21, circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.22, circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.23 or circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.24, provided that the good, exclusive of collar, cuffs, waistband or elastic, is wholly of such fabric and the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties, and such goods will not be subject to Notes 2 through 4 of this Chapter; or

(b) any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

6107.22 - 6107.99

A change to subheading 6107.22 through 6107.99 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

6108.11 - 6108.19

A change to subheading 6108.11 through 6108.19 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

A change to subheading 6108.21 from

- (a) circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.21, circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.22, circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.23 or circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.24, provided that the good, exclusive of waistband, elastic or lace, is wholly of such fabric and the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties, and such goods will not be subject to Notes 2 through 4 of this Chapter; or
- (b) any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16 or 60.01 through 60.06, or other made-up textile articles of heading 96.19, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

6108.22 - 6108.29

A change to subheading 6108.22 through 6108.29 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16 or 60.01 through 60.06, or other made-up textile articles of heading 96.19, provided

that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

#### A change to subheading 6108.31 from

- circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.21, circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.22, circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.23 or circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.24, provided that the good, exclusive of collar, cuffs, waistband, elastic or lace, is wholly of such fabric and the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties, and such goods will not be subject to Notes 2 through 4 of this Chapter; or
- (b) any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

6108.32-6108.99

A change to subheading 6108.32 through 6108.99 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

61.09

A change to heading 61.09 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16 or 60.01 through 60.06, or other made-up textile articles of heading 96.19, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

6110.11-6110.20

A change to subheading 6110.11 through 6110.20 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16 or 60.01 through 60.06, or other made-up textile articles of heading 96.19, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

6110.30

For the purposes of trade between Mexico and the United States, a change to sweaters of subheading 6110.30 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or 55 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

For all other trade between the Parties, a change to sweaters of subheading 6110.30 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54, heading 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

6110.90

A change to subheading 6110.90 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16 or 60.01 through 60.06, or other made-up textile articles of heading 96.19, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

61.11

A change to heading 61.11 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16 or 60.01 through 60.06, or other made-up textile articles of heading 96.19, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

6112.11-6112.49

A change to subheading 6112.11 through 6112.49 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, or 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

61.13 - 61.17

A change to heading 61.13 through 61.17 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

# Chapter 62 Articles of Apparel and Clothing Accessories, Not Knitted or Crocheted

#### Note 1:

Apparel goods of this chapter shall be considered to originate if they are both cut and sewn or otherwise assembled in the territory of one or more of the Parties and if the fabric of the outer shell, exclusive of collars or cuffs, is wholly of one or more of the following:

- (a) Velveteen fabrics of subheading 5801.23, containing 85 per cent or more by weight of cotton;
- (b) Corduroy fabrics of subheading 5801.22, containing 85 per cent or more by weight of cotton and containing more than 7.5 wales per centimeter;
- (c) Fabrics of subheading 5111.11 or 5111.19, if handwoven, with a loom width of less than 76 cm, woven in the United Kingdom in accordance with the rules and regulations of the Harris Tweed Authority, Ltd., and so certified by the Authority;
- (d) Fabrics of subheading 5112.30, weighing not more than 340 grams per square meter, containing wool, not less than 20 per cent by weight of fine animal hair and not less than 15 per cent by weight of manmade staple fibers; or
- (e) Batiste fabrics of subheading 5513.11 or 5513.21, of square construction, of single yarns exceeding 76 metric count, containing between 60 and 70 warp ends and filling picks per square centimeter, of a weight not exceeding 110 grams per square meter.

Such apparel goods shall not be subject to Notes 3 through 5 of this Chapter.

#### Note 2:

For the purposes of determining the origin of a good of this chapter, the rule applicable to that good shall only apply to the component that determines the tariff classification of the good and such component must satisfy the tariff change requirements set out in the rule for that good

#### Note 3:

Effective 18 months from the date of entry into force of the agreement, and notwithstanding Chapter Note 2, a good of this chapter containing fabrics of subheading 5806.20 or heading 60.02 is originating only if such fabrics are both formed and finished from yarn in the territory of one or more of the Parties.

#### Note 4:

Effective 12 months from the date of entry into force of the agreement, and notwithstanding Chapter Note 2, a good of this chapter containing sewing thread of heading 52.04, 54.01 or 55.08, or yarn of heading 54.02 used as

sewing thread shall be considered originating only if such sewing thread is both formed and finished in the territory of one or more of the Parties.

Note 5:

For apparel made of blue denim fabric of subheadings 5209.42, 5211.42, 5212.24, and 5514.30, effective 30 months from the date of entry into force of the agreement, and notwithstanding Chapter Note 2, if such goods of this chapter contain a pocket or pockets, the pocket bag fabric must be formed and finished in the territory of one or more of the Parties from yarn wholly formed in one or more of the Parties.

For all other apparel, effective 18 months from the date of entry into force of the agreement, and notwithstanding Chapter Note 2, if a good of this chapter contains a pocket or pockets, the pocket bag fabric must be formed and finished in the territory of one or more of the Parties from yarn wholly formed in one or more of the Parties.

62.01-62.04

A change to headings 62.01 through 62.04 from any other chapter, except from heading 51.06 through 51.13 52.04 through 52.12, 53.10 through 53.11, Chapter 54, heading 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

6205.20 - 6205.30

**Note**: Men's or boys' shirts of cotton or manmade fibers shall be considered to originate if they are both cut and assembled in the territory of one or more of the Parties and if the fabric of the outer shell, exclusive of collars or cuffs, is wholly of one or more of the following:

- (a) Fabrics of subheading 5208.21, 5208.22, 5208.29, 5208.31, 5208.32, 5208.39, 5208.41, 5208.42, 5208.49, 5208.51, 5208.52 or 5208.59, other than 3-thread or 4-thread twill, including cross twill, fabric of subheading 5208.59 of average yarn number exceeding 135 metric;
- (b) Fabrics of subheading 5513.11 or 5513.21, not of square construction, containing more than 70 warp ends and filling picks per square centimeter, of average yarn number exceeding 70 metric;
- (c) Fabrics of subheading 5210.21 or 5210.31, not of square construction, containing more than 70 warp ends and filling picks per square centimeter, of average yarn number exceeding 70 metric;

- (d) Fabrics of subheading 5208.22 or 5208.32, not of square construction, containing more than 75 warp ends and filling picks per square centimeter, of average yarn number exceeding 65 metric;
- Fabrics of subheading 5407.81, 5407.82 or 5407.83, weighing less (e) than 170 grams per square meter, having a dobby weave created by a dobby attachment;
- Fabrics of subheading 5208.42 or 5208.49, not of square (f) construction, containing more than 85 warp ends and filling picks per square centimeter, of average yarn number exceeding 85 metric;
- (g) Fabrics of subheading 5208.51, of square construction, containing more than 75 warp ends and filling picks per square centimeter, made with single yarns, of average yarn number 95 or greater metric;
- Fabrics of subheading 5208.41, of square construction, with a (h) gingham pattern, containing more than 85 warp ends and filling picks per square centimeter, made with single yarns, of average yarn number 95 or greater metric, and characterized by a check effect produced by the variation in color of the yarns in the warp and filling; or
- Fabrics of subheading 5208.41, with the warp colored with (i) vegetable dyes, and the filling yarns white or colored with vegetable dyes, of average yarn number greater than 65 metric.

Such apparel goods shall not be subject to Notes 3 through 5 of this Chapter.

For all other trade between the Parties, a change to subheading 6205.20 through 6205.30 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties.

6205.90 A change to subheading 6205.90 from any other chapter, except from

heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties.

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62.06

A change to heading 62.06 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, or 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties.

6207.11

Men's or boys' boxer shorts of cotton of subheading 6207.11 shall be considered to originate if they are both cut and sewn or in the territory of one or more of the Parties, and if the plain weave fabric of the outer shell, exclusive of waistbands, is wholly of one or more of the following:

- (a) Fabrics of subheading 5208.41, yarn-dyed, with a fiber content of 100 percent cotton, 95 to 100 grams per square meter, of average yarn number 37 to 42 metric;
- (b) Fabrics of subheading 5208.42, yarn-dyed, with a fiber content of 100 percent cotton, weighing not more than 105 grams per square meter, of average yarn number 47 to 53 metric;
- (c) Fabrics of subheading 5208.51, printed, with a fiber content of 100 percent cotton, 93 to 97 grams per square meter, of average yarn number 38 to 42 metric;
- (d) Fabrics of subheading 5208.52, printed, with a fiber content of 100 percent cotton, 112 to 118 grams per square meter, of average yarn number 38 to 42 metric;
- (e) Fabrics of subheading 5210.11, greige, with a fiber content of 51 to 60 percent cotton, 49 to 40 percent polyester, 100 to 112 grams per square meter, of average yarn number 55 to 65 metric;
- (f) Fabrics of subheading 5210.41, yarn-dyed, with a fiber content of 51 to 60 percent cotton, 49 to 40 percent polyester, 77 to 82 grams per square meter, of average yarn number 69 to 75 metric;
- (g) Fabrics of subheading 5210.41, yarn-dyed, with a fiber content of 51 to 60 percent cotton, 49 to 40 percent polyester, 85 to 90 grams per square meter, of average yarn number 69 to 75 metric;
- (h) Fabrics of subheading 5210.51, printed, with a fiber content of 51 to 60 percent cotton, 49 to 40 percent polyester, 107 to 113 grams per square meter, of average yarn number 33 to 37 metric;

- (i) Fabrics of subheading 5210.51, printed, with a fiber content of 51 to 60 percent cotton, 49 to 40 percent polyester, 92 to 98 grams per square meter, of average yarn number 43 to 48 metric; or
- Fabrics of subheading 5210.51, printed, with a fiber content of 51 to (j) 60 percent cotton, 49 to 40 percent polyester, 105 to 112 grams per square meter, of average yarn number 50 to 60 metric.

Such apparel goods shall not be subject to Notes 3 through 5 of this Chapter.

For all other goods of subheading 6207.11, a change to subheading 6207.11 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, or other made-up textile articles of heading 96.19, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties.

- 6207.19 6207.99 A change to heading 6207.19 through 6207.99 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties.
- A change to heading 62.08 through 62.11 from any other chapter, except 62.08 - 62.11from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54, heading 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties.
- 6212.10 A change to subheading 6212.10 from any other chapter, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties. Such goods shall not be subject to Notes 3 through 5 of this Chapter.
- 6212.20 6212.90A change to subheading 6212.20 through 6212.90 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12,53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties.
- 62.13 62.17A change to heading 62.13 through 62.17 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 or heading 55.08 through 55.16, 58.01 through 58.02 or

60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties.

#### <u>Chapter 63 Other Made Up Textile Articles; Sets; Worn Clothing and Worn Textile</u> Articles; Rags

Note 1:

For the purposes of determining the origin of a good of this chapter, the rule applicable to that good shall only apply to the component that determines the tariff classification of the good and such component must satisfy the tariff change requirements set out in the rule for that good.

Note 2:

Effective 18 months from the date of entry into force of the agreement, and not withstanding Chapter Note 1, for the purposes of determining the origin of a good of this chapter, a good of this chapter containing fabrics of heading 5903 shall be considered originating only if all fabrics used in the production of the fabrics of heading 5903 are formed and finished in the territory of one or more of the Parties. This note shall not apply to goods of heading 63.05, goods of subheadings 6306.12 or 6306.22, or goods of subheading 6307.90 that are not surgical drapes or national flags.

63.01 - 63.02

A change to heading 63.01 through 63.02 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12 53.10 through 53.11, Chapter 54 through 55, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

63.03

A change to curtains of subheading 6303.92 made of fabrics wholly of non-textured polyester filaments from yarn, with a twist of 900 or more turns per meter, wholly of polyesters other than partially oriented, measuring not less than 75 decitex but not more than 80 decitex, and having 24 filaments per yarn of subheading 5402.44, 5402.47 or 5402.52, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties.

A change to any other good of heading 63.03 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 through 55 or heading 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

63.04 - 63.10

A change to heading 63.04 through 63.10 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 through 55, 58.01 through 58.02 or 60.01 through 60.06,

or other made-up textile articles of heading 96.19, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the Parties.

Section XII - Footwear, Headgear, Umbrellas, Sun Umbrellas, Walking-Sticks, Seat-Sticks, Whips, Riding-Crops and Parts Thereof; Prepared Feathers and Articles Made Therewith; Artificial Flowers; Articles of Human Hair (Chapter 64-67)

#### Chapter 64 Footwear, Gaiters and the Like; Parts of Such Articles

64.01-64.05	A change to heading 64.01 through 64.05 from any heading outside that group, except from subheading 6406.10, provided there is a regional value content of not less than 55 percent under the net cost method.
6406.10	A change to subheading 6406.10 from any other subheading, except from heading 64.01 through 64.05, provided there is a regional value content of not less than 55 percent under the net cost method.
6406.20-6406.90	A change to subheading 6406.20 through 6406.90 from any other chapter.

#### **Chapter 65 Headgear and Parts Thereof**

65.01-65.02	A change to heading 65.01 through 65.02 from any other chapter.
65.04-65.07	A change to heading 65.04 through 65.07 from any heading outside that group.

# <u>Chapter 66 Umbrellas, Sun Umbrellas, Walking-Sticks, Seat-Sticks, Whips, Riding-Crops and Parts Thereof</u>

66.01	A	change	to	heading	66.01	from	any	other	heading,	except	from	a
	co	mbinatio	n o	f both:								

- (a) subheading 6603.20; and
- (b) heading 39.20 through 39.21, 50.07, 51.11 through 51.13, 52.08 through 52.12, 53.09 through 53.11, 54.07 through 54.08, 55.12 through 55.16, 56.02 through 56.03, 58.01 through 58.11, 59.01 through 59.11 and 60.01 through 60.06.

66.02	A change to heading 66.02 from any other heading.
66.03	A change to heading 66.03 from any other chapter.

#### <u>Chapter 67 Prepared Feathers and Down and Articles Made of Feathers or of Down;</u> <u>Artificial Flowers; Articles of Human Hair</u>

A change to heading 67.01 from any other heading; or

A change to a good of feather or down of heading 67.01 from within that

heading or any other heading.

67.02-67.04 A change to heading 67.02 from any other heading, including another

heading within that group.

Section XIII - Articles of Stone, Plaster, Cement, Asbestos, Mica or Similar Materials; Ceramic Products; Glass and Glassware (Chapter 68-70)

# <u>Chapter 68 Articles of Stone, Plaster, Cement, Asbestos, Mica or Similar Materials 68.01-68.11 A change to heading 68.01 through 68.11 from any other chapter.</u>

A change to clothing, clothing accessories, footwear and headgear of subheading 6812.80 from any other subheading;

A change to fabricated crocidolite fibers or mixtures with a basis of crocidolite or with a basis of crocidolite and magnesium carbonate of subheading 6812.80 from any other chapter;

A change to yarn or thread of subheading 6812.80 from any other good of subheading 6812.80 or any other subheading;

A change to cords or string, whether or not plaited, of subheading 6812.80 from any other good of subheading 6812.80 or any other subheading, except from woven or knitted fabric of subheading 6812.80;

A change to woven or knitted fabric of subheading 6812.80 from any other good of subheading 6812.80 or any other subheading, except from cords or string, whether or not plaited, of subheading 6812.80; or

A change to any other good of subheading 6812.80 from fabricated crocidolite fibers or mixtures with a basis of crocidolite and magnesium carbonate, yarn or thread, cords or string, whether or not plaited, or woven or knitted fabric of subheading 6812.80 or from any other subheading.

A change to subheading 6812.91 from any other subheading.

A change to fabricated asbestos fibers or mixtures with a basis of asbestos or with a basis of asbestos and magnesium carbonate of subheading

6812.99 from any other chapter;

A change to yarn or thread of subheading 6812.99 from any other good of subheading 6812.99 or any other subheading;

A change to cords or string, whether or not plaited, of subheading 6812.99 from any other good of subheading 6812.99 or any other subheading, except from woven or knitted fabric of subheading 6812.99;

A change to woven or knitted fabric of subheading 6812.99 from any other good of subheading 6812.99 or any other subheading, except from cords or string, whether or not plaited, of subheading 6812.99; or

A change to any other good of subheading 6812.92 through 6812.99 from fabricated asbestos fibers or mixtures with a basis of asbestos or with a basis of asbestos and magnesium carbonate, yarn or thread, cords or string, whether or not plaited, or woven or knitted fabric of subheading 6812.99 or from any subheading outside that group.

68.13 A change to heading 68.13 from any other heading.

68.14-68.15 A change to heading 68.14 through 68.15 from any other chapter.

#### **Chapter 69 Ceramic Products**

69.01-69.14 A change to heading 69.01 through 69.14 from any other chapter.

#### **Chapter 70 Glass and Glassware**

70.01	A change to heading 70.01 from any other heading.
7002.10	A change to subheading 7002.10 from any other heading.
7002.20	A change to subheading 7002.20 from any other chapter.
7002.31	A change to subheading 7002.31 from any other heading.
7002.32-7002.39	A change to subheading 7002.32 through 7002.39 from any other chapter.

70.03-70.08 <sup>12</sup>	A change to heading 70.03 through 70.08 from any heading outside that group, except from heading 70.09.
7009.10-7009.91 <sup>13</sup>	A change to subheading 7009.10 through 7009.91 from any other heading, except from heading 70.03 through 70.08.
7009.92	A change to subheading 7009.92 from any other subheading.
70.10-70.18	A change to heading 70.10 through 70.18 from any other chapter.
70.19	A change to heading 70.19 from any other heading, except from heading 70.07 through 70.20.
70.20	A change to heading 70.20 from any other chapter.

Section XIV - Natural or Cultured Pearls, Precious or Semi-precious Stones, Precious Metals, Metals Clad with Precious Metal, and Articles Thereof; Imitation Jewellery; Coin (Chapter 71)

# <u>Chapter 71 Natural or Cultured Pearls, Precious or Semi-Precious Stones, Precious Metals, Metals Clad with Precious Metal, and Articles Thereof; Imitation Jewellery; Coin (Chapter 71)</u>

71.01-71.05	A change to heading 71.01 through 71.05 from any other chapter.
7106.10-7106.92	A change to subheadings 7106.10 through 7106.92 from any other subheading, including another subheading within that group; or
	No required change in tariff classification to subheading 7106.91, whether or not there is also a change from another subheading, provided that the non-originating materials undergo electrolytic, thermal or chemical separation or alloying.
71.07	A change to heading 71.07 from any other chapter.
7108.11-7108.20	A change to subheadings 7108.11 through 7108.20 from any other subheading, including another subheading within that group; or

<sup>&</sup>lt;sup>12</sup> If the good provided for in subheadings 7007.11 or 7007.21 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>13</sup> If the good provided for in subheading 7009.10 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

No required change in tariff classification to subheading 7108.12, whether		
or not there is also a change from another subheading, provided that the		
non-originating materials undergo electrolytic, thermal or chemical		
separation or alloying.		

71.09	A change to heading 71.09 from any other chapter.
7110.11-7110.49	A change to subheadings 7110.11 through 7110.49 from any other subheading, including another subheading within that group.
71.11	A change to heading 71.11 from any other chapter.
71.12	A change to heading 71.12 from any other heading.
71.13-71.18	A change to heading 71.13 through 71.18 from any heading outside that group.

#### Section XV - Base Metals and Articles of Base Metal (Chapter 72-83)

#### **Chapter 72 Iron and Steel**

72.01	A change to heading 72.01 from any other chapter.
7202.11-7202.60	A change to subheading 7202.11 through 7202.60 from any other chapter.
7202.70	A change to subheading 7202.70 from any other chapter, except from subheading 2613.10.
7202.80-7202.99	A change to subheading 7202.80 through 7202.99 from any other chapter.
72.03-72.05	A change to heading 72.03 through 72.05 from any other chapter.
72.06-72.07	A change to heading 72.06 through 72.07 from any heading outside that group.
72.08-72.16	A change to heading 72.08 through 72.16 from any heading outside that group.
72.17	A change to heading 72.17 from any other heading, except from heading 72.13 through 72.15.
72.18-72.22	A change to heading 72.18 through 72.22 from any heading outside that group.

72.23	A change to heading 72.23 from any other heading, except from heading 72.21 through 72.22.
72.24-72.28	A change to heading 72.24 through 72.28 from any heading outside that group.
72.29	A change to heading 72.29 from any other heading, except from heading 72.27 through 72.28.

#### **Chapter 73 Articles of Iron or Steel**

73.01-73.03	A change to heading 73.01 through 73.03 from any other chapter.
7304.11-7304.39	A change to subheading 7304.11 through 7304.39 from any other chapter.
7304.41	
7304.41.aa chapter.	A change to tariff item 7304.41.aa from subheading 7304.49 or any other
7304.41	A change to subheading 7304.41 from any other chapter.
7304.49-7304.90	A change to subheading 7304.49 through 7304.90 from any other chapter.

#### 73.05-73.07

Beginning on January 1 2020 or the date of entry into force of the Agreement, whichever is later, until January 1 2023 or three years after entry into force of this Agreement, whichever is later

73.05-73.07 A change to heading 73.05 through 73.07 from any other chapter.

Beginning on January 1 2023 or three years after entry into force of this Agreement, whichever is late, and thereafter

73.05-73.07	A change to heading 73.05 through 73.07 from any other heading, except
	from headings 72.08 through 72.29 or headings 73.01 through 73.26; or

A change to heading 73.05 through 73.07 from headings 72.08 through 72.29 or headings 73.01 through 73.26, provided that at least 70 percent by weight of the inputs of headings 72.08 through 72.29 and headings 73.01 through 73.26 is originating; or

No change in tariff classification is required provided that there is a regional value content of not less than:

- (a) 75 percent where the transaction value method is used, or
- (b) 65 percent where the net cost method is used.

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Beginning on January 1 2020 or the date of entry into force of the Agreement, whichever is later, until January 1 2022 or two years after entry into force of this Agreement, whichever is later

73.08

A change to heading 73.08 from any other heading, except for changes resulting from the following processes performed on angles, shapes, or sections of heading 72.16:

- (a) drilling, punching, notching, cutting, cambering, or sweeping, whether performed individually or in combination;
- (b) adding attachments or weldments for composite construction;
- (c) adding attachments for handling purposes;
- (d) adding weldments, connectors or attachments to H-sections or I-sections, provided that the maximum dimension of the weldments, connectors, or attachments is not greater than the dimension between the inner surfaces of the flanges of the H-sections or I-sections;
- (e) painting, galvanizing, or otherwise coating; or
- (f) adding a simple base plate without stiffening elements, individually or in combination with drilling, punching, notching, or cutting, to create an article suitable as a column.

Beginning on January 1 2022 or two years after entry into force of this Agreement, whichever is later, and thereafter

7308.10

A change to 7308.10 from any other heading, except from headings 72.08, 72.11, 72.16, 72.25, and 72.26; or

A change to 7308.10 from headings 72.08, 72.11, 72.16, 72.25, or 72.26; provided that at least 70 percent by weight of the inputs of headings 72.08, 72.11, 72.16, 72.25, or 72.26 is originating; or

No change in tariff classification is required provided that there is a regional value content of not less than:

- 75 percent where the transaction value method is used, or (a)
- (b) 65 percent where the net cost method is used.

7308.20 A change to 7308.20 from any other heading, except from headings 72.08, 72.11, 72.16, 72.25, and 72.26; or

> A change to 7308.20 from headings 72.08, 72.11, 72.16, 72.25, or 72.26; provided that at least 70 percent by weight of the inputs of headings 72.08, 72.11, 72.16, 72.25, or 72.26 is originating; or

No change in tariff classification is required provided that there is a regional value content of not less than:

- (a) 65 percent where the transaction value method is used, or
- (b) 55 percent where the net cost method is used.

A change to 7308.30 from any other heading, except from headings 72.08, 7308.30 72.11, 72.16, 72.25, and 72.26; or

> A change to 7308.30 from headings 72.08, 72.11, 72.16, 72.25, or 72.26; provided that at least 70 percent by weight of the inputs of headings 72.08, 72.11, 72.16, 72.25, or 72.26 is originating; or

No change in tariff classification is required provided that there is a regional value content of not less than:

- 75 percent where the transaction value method is used, or (a)
- (b) 65 percent where the net cost method is used.

A change to 7308.40 from any other heading, except from headings 72.08, 72.11, 72.16, 72.25, and 72.26; or

> A change to 7308.40 from headings 72.08, 72.11, 72.16, 72.25, or 72.26; provided that at least 70 percent by weight of the inputs of headings 72.08, 72.11, 72.16, 72.25, or 72.26 is originating; or

7308.40

No change in tariff classification is required provided that there is a regional value content of not less than:

- (a) 65 percent where the transaction value method is used, or
- (b) 55 percent where the net cost method is used.

7308.90 A change to 7308.90 from any other heading, except from headings 72.08, 72.11, 72.16, 72.25, and 72.26; or

A change to 7308.90 from headings 72.08, 72.11, 72.16, 72.25, or 72.26; provided that at least 70 percent by weight of the inputs of headings 72.08, 72.11, 72.16, 72.25, or 72.26 is originating; or

No change in tariff classification is required provided that there is a regional value content of not less than 65 percent where the net cost method is used.

#### 73.09-73.11

73.09-73.11 A change to heading 73.09 through 73.11 from any heading outside that group.

#### 73.12-73.14

Beginning on January 1 2020 or the date of entry into force of the Agreement, whichever is later, until January 1 2023 or three years after entry into force of this Agreement, whichever is later

73.12-73.14 A change to heading 73.12 through 73.14 from any other heading, including another heading within that group.

Beginning on January 1 2023 or three years after entry into force of this Agreement, whichever is later, and thereafter

7312.10

A change to subheading 7312.10 from any other heading except from headings 72.08 through 72.29 or headings 73.01 through 73.26; or A change to subheading 7312.10 from headings 72.08 through 72.29 or headings 73.01 through 73.26, provided that at least 70 percent by weight of the inputs of headings 72.08 through 72.29 and headings 73.01 through 73.26 is originating; or

No change in tariff classification is required provided that there is a regional value content of not less than:

- (a) 75 percent where the transaction value method is used, or
- (b) 65 percent where the net cost method is used.

7312.90 A change to subheading 7312.90 from any other heading.

A change to heading 73.13 from any other heading except from headings 72.08 through 72.29 or headings 73.01 through 73.26; or

A change to heading 73.13 from headings 72.08 through 72.29 or headings 73.01 through 73.26, provided that at least 70 percent by weight of the inputs of headings 72.08 through 72.29 and headings 73.01 through 73.26 is originating; or

No change in tariff classification is required provided that there is a regional value content of not less than:

- (a) 75 percent where the transaction value method is used, or
- (b) 65 percent where the net cost method is used.
- 7314.14 A change to subheading 7314.14 from any other heading
- 7314.19 A change to subheading 7314.19 from any other heading except from headings 72.08 through 72.29 or headings 73.01 through 73.26; or

A change to subheading 7314.19 from headings 72.08 through 72.29 or headings 73.01 through 73.26, provided that at least 70 percent by weight of the inputs of headings 72.08 through 72.29 and headings 73.01 through 73.26 is originating; or

No change in tariff classification is required provided that there is a regional value content of not less than:

- (a) 75 percent where the transaction value method is used, or
- (b) 65 percent where the net cost method is used.

7314.20 A change to subheading 7314.20 from any other heading.

7314.31 – 7314.49 A change to subheading 7314.31 through 7314.49 from any other heading except from headings 72.08 through 72.29 or headings 73.01 through 73.26; or

A change to subheading 7314.31 through 7314.49 from headings 72.08 through 72.29 or headings 73.01 through 73.26, provided that at least 70 percent by weight of the inputs of headings 72.08 through 72.29 and headings 73.01 through 73.26 is originating; or

No change in tariff classification is required provided that there is a regional value content of not less than:

- 75 percent where the transaction value method is used, or (a)
- 65 percent where the net cost method is used. (b)

7314.50 A change to subheading 7314.50 from any other heading.

#### 73.15

Beginning on January 1 2020 or the date of entry into force of the Agreement, whichever is later, until January 1 2023 or three years after entry into force of this Agreement, whichever is later

A change to subheading 7315.11 through 7315.12 from any other 7315.11-7315.12 heading; or

> A change to subheading 7315.11 through 7315.12 from subheading 7315.19, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- 60 percent where the transaction value method is used, or (a)
- 50 percent where the net cost method is used. (b)

7315.19 A change to subheading 7315.19 from any other heading.

7315.20-7315.89 A change to subheading 7315.20 through 7315.89 from any other heading; or

> A change to subheading 7315.20 through 7315.89 from subheading 7315.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- 60 percent where the transaction value method is used, or (a)
- (b) 50 percent where the net cost method is used.

7315.90 A change to subheading 7315.90 from any other heading.

Beginning on January 1 2023 or three years after entry into force of this Agreement, whichever is later, and thereafter

7315.11 - 7315.12A change to subheading 7315.11 through 7315.12 from any other heading; or

> A change to subheading 7315.11 through 7315.12 from subheading 7315.19, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- 60 percent where the transaction value method is used, or (a)
- (b) 50 percent where the net cost method is used.

7315.19 A change to subheading 7315.19 from any other heading.

A change to subheading 7315.20 through 7315.81 from any other heading; 7315.20-7315.81

> A change to subheading 7315.20 through 7315.81 from subheading 7315.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- 60 percent where the transaction value method is used, or (a)
- 50 percent where the net cost method is used. (b)

7315.82-7315.89 A change to subheadings 7315.82 through 7315.89 from any other heading except from headings 72.08 through 72.29 or headings 73.01 through 73.26; or

> A change to subheadings 7315.82 through 7315.89 from headings 72.08 through 72.29 or headings 73.01 through 73.26, provided that at least 70 percent by weight of the inputs of headings 72.08 through 72.29 and headings 73.01 through 73.26 is originating; or

No change in tariff classification is required provided that there is a regional value content of not less than:

- 75 percent where the transaction value method is used, or (a)
- 65 percent where the net cost method is used. (b)

A change to subheading 7314.20 from any other heading. 7315.90

#### 73.16

73.16 A change to heading 73.16 from any other heading, except from heading 73.12 or 73.15.

#### 73.17

Beginning on January 1 2020 or the date of entry into force of the Agreement, whichever is later, until January 1 2023 or three years after entry into force of this Agreement, whichever is later

73.17 A change to heading 73.17 from any other heading, except from heading 73.18

Beginning on January 1 2023 or three years after entry into force of this Agreement, whichever is later, and thereafter

73.17 A change to heading 73.17 from any other heading, except from headings 72.08 through 72.29 or headings 73.01 through 73.26; or

A change to heading 73.17 from headings 72.08 through 72.29 or headings 73.01 through 73.26, provided that at least 70 percent by weight of the inputs of headings 72.08 through 72.29 and headings 73.01 through 73.26 is originating; or

No change in tariff classification provided that there is a regional value content of not less than:

- (a) 75 percent where the transaction value method is used, or
- (b) 65 percent where the net cost method is used.

#### 7318

73.18 A change to heading 73.18 from any other heading, except from heading 73.17

73.19-73.2014

A change to heading 73.19 through 73.20 from any heading outside that group.

#### 7321.11

<sup>&</sup>lt;sup>14</sup> If the good provided for in subheadings 7320.10 or 7320.20 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

7321.11.aa	A change to tariff item 7321.11.aa from any other subheading, except from tariff item 7321.90.aa, 7321.90.bb or 7321.90.cc.
7321.11	A change to subheading 7321.11 from any other heading; or
	A change to subheading 7321.11 from subheading 7321.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
	(a) 60 percent where the transaction value method is used, or
	(b) 50 percent where the net cost method is used.
7321.12-7321.89	A change to subheading 7321.12 through 7321.89 from any other heading; or
	A change to subheading 7321.12 through 7321.89 from subheading 7321.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
	(a) 60 percent where the transaction value method is used, or
	(b) 50 percent where the net cost method is used.
7321.90	
7321.90.aa	A change to tariff item 7321.90.aa from any other tariff item.
7321.90.bb	A change to tariff item 7321.90.bb from any other tariff item.
7321.90.cc	A change to tariff item 7321.90.cc from any other tariff item.
7321.90	A change to subheading 7321.90 from any other heading.
73.22-73.23	A change to heading 73.22 through 73.23 from any heading outside that group.
7324.10-7324.29	A change to subheading 7324.10 through 7324.29 from any other heading; or
	A change to subheading 7324.10 through 7324.29 from subheading 7324.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

7324.90 A change to subheading 7324.90 from any other heading.

73.25-73.26 A change to heading 73.25 through 73.26 from any heading outside that group.

#### **Chapter 74 Copper and Articles Thereof**

74.01-74.03 A change to headings 74.01 through 74.03 from any other heading,

including another heading within that group, except from heading 74.04;

or

A change to headings 74.01 through 74.03 from heading 74.04, whether or not there is also a change from any other heading, including another heading within that group, provided there is a regional value content of not less than:

- (a) 60 per cent where the transaction value method is used, or
- (b) 50 per cent where the net cost method is used.

74.04 A change to a good of heading 74.04 from any other good within that

heading or any other heading.

74.05-74.07 A change to heading 74.05 through 74.07 from any other chapter; or

A change to heading 74.05 through 74.07 from heading 74.01 through 74.02 or tariff item 7404.00.aa, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

7408.11

7408.11.aa A change to tariff item 7408.11.aa from any other chapter; or

A change to tariff item 7408.11.aa from heading 74.01 through 74.02 or tariff item 7404.00.aa, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>
7408.11	A change to subheading 7408.11 from any other heading, except from heading 74.07.
7408.19-7408.29	A change to subheading 7408.19 through 7408.29 from any other heading, except from heading 74.07.
74.09	A change to heading 74.09 from any other heading.
74.10	A change to heading 74.10 from any other heading, except from heading 74.09.
74.11	A change to heading 74.11 from any other heading, except from tariff item 7407.10.aa, 7407.21.aa or 7407.29.aa or heading 74.09.
74.12	A change to heading 74.12 from any other heading, except from heading 74.11.
74.13	A change to heading 74.13 from any other heading, except from heading 74.07 through 74.08; or
	A change to heading 74.13 from heading 74.07 through 74.08, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
	(a) 60 percent where the transaction value method is used, or
	(b) 50 percent where the net cost method is used.
74.15-74.18	A change to heading 74.15 through 74.18 from any other heading, including another heading within that group.
7419.10	A change to subheading 7419.10 from any other heading, except from heading 74.07.
7419.91	A change to subheading 7419.91 from any other heading.

7419.99 A change to a good of subheading 7419.99 from any other good within that subheading or any other heading.

#### **Chapter 75 Nickel and Articles Thereof**

75.01-75.04	A change to heading 75.01 through 75.04 from any other heading, including another heading within that group.
7505.11-7505.12	A change to subheading 7505.11 through 7505.12 from any other heading.
7505.21-7505.22	A change to subheading 7505.21 through 7505.22 from any other heading; or
	A change to subheading 7505.21 through 7505.22 from subheading 7505.11 through 7505.12, whether or not there is also a change from any other heading, provided that, if bar or rod is used, the cross-sectional area of the bar or rod is reduced by at least 50 percent.
75.06	
7506.10.aa	A change to tariff item 7506.10.aa from any other tariff item.
7506.20.aa	A change to tariff item 7506.20.aa from any other tariff item.

A change to heading 75.06 from any other heading.

subheading, including another subheading within that group.

A change to subheading 7507.11 through 7508.90 from any other

#### **Chapter 76 Aluminum and Articles Thereof**

75.06

7507.11-7508.90

76.01	A change to heading 76.01 from any other chapter.
76.02	A change to heading 76.02 from any other heading.
76.03	A change to heading 76.03 from any other chapter.
76.04	A change to heading 76.04 from any other heading.
76.05	A change to heading 76.05 from any other heading, except from heading 76.04 or 76.06.
76.06	A change to heading 76.06 from any other heading.

76.07	A change to heading 76.07 from any other heading.
76.08-76.09	A change to heading 76.08 through 76.09 from any heading outside that group.
76.10-76.13	A change to heading 76.10 through 76.13 from any other heading, including another heading within that group.
76.14	A change to heading 76.14 from any other heading, except from heading 76.04 through 76.05.
76.15-76.16	A change to heading 76.15 through 76.16 from any other heading, including another heading within that group.

#### **Chapter 78 Lead and Articles Thereof**

78.01-78.02	A change to heading 78.01 through 78.02 from any other chapter.
7804.11-7804.20	A change to subheading 7804.11 through 7804.20 from any other subheading, including another subheading within that group; or
	A change to foil of a thickness not exceeding 0.15 mm (excluding backing) of subheading 7804.11 from within that subheading, whether or not there is also a change from any other subheading.
78.06	A change to a good of heading 78.06 from any other good within that heading or any other heading.

#### **Chapter 79 Zinc and Articles Thereof**

79.01-79.02	A change to heading 79.01 through 79.02 from any other chapter.
7903.10	A change to subheading 7903.10 from any other chapter.
7903.90	A change to subheading 7903.90 from any other heading.
79.04	A change to heading 79.04 from any other heading; or
	A change to wire of heading 79.04 from within that heading, whether or not there is also a change from any other heading, provided that, if bar or rod is used, the cross-sectional area of the bar or rod is reduced by at least 50 percent.
79.05	A change to heading 79.05 from any other heading; or

A change to foil of a thickness not exceeding 0.15 mm (excluding backing) of heading 79.05 from within that heading, whether or not there is also a change from any other heading.

79.07 A change to a good of heading 79.07 from any other good within that

heading or any other heading.

#### **Chapter 80 Tin and Articles Thereof**

80.01-80.02 A change to heading 80.01 through 80.02 from any other chapter.

A change to heading 80.03 from any other heading; or

A change to wire of heading 80.03 from within that heading, whether or not there is also a change from any other heading, provided that, if bar or rod is used, the cross-sectional area of the bar or rod is reduced by at least

50 percent.

A change to a good of heading 80.07 from any other good within that

heading or any other heading.

#### **Chapter 81 Other Base Metals; Cermets; Articles Thereof**

8101.10-8101.97	A change to subheading 8101.10 through 8101.97 from any other
	subheading, including another subheading within that group.

A change to a good of subheading 8101.99 from any other good within

that subheading or any other subheading.

8102.10-8107.90 A change to subheading 8102.10 through 8107.90 from any other

subheading, including another subheading within that group.

A change to subheading 8108.20 from any other chapter; or

A change from any other subheading whether or not there is also a change from any other chapter, provided there is a regional value content of not

less than:

(a) 60 percent where the transaction value method is used, or

(b) 50 percent where the net cost method is used.

A change to subheading 8108.30 from any other subheading.

8108.90	A change to subheading 8108.90 from any other chapter; or				
	A change to subheading 8108.90 from any other subheading, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:				
	(a) 60 percent where the transaction value method is used, or				
	(b) 50 percent where the net cost method is used.				
8109.20-8110.90	A change to subheading 8109.20 through 8110.90 from any other subheading, including another subheading within that group				
81.11	A change to manganese powders or articles of manganese of heading 81.11 from any other good of heading 81.11; or				
	A change to any other good of heading 81.11 from any other heading.				
8112.12-8112.59	A change to subheading 8112.12 through 8112.59 from any other subheading, including another subheading within that group.				
8112.92-8112.99:	A change to a good of any of subheading 8112.92 through 8112.99 from any other good within that subheading or any other subheading, including another subheading within that group.				
81.13	A change to heading 81.13 from any other heading.				
Chapter 82 Tools, I Base Metal	mplements, Cutlery, Spoons and Forks, of Base Metal; Parts Thereof of				
82.01	A change to heading 82.01 from any other chapter.				
8202.10-8202.20	A change to subheading 8202.10 through 8202.20 from any other chapter.				

A change to subheading 8202.31 from any other chapter; or

8202.31

A change to subheading 8202.31 from subheading 8202.39, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8202.39-8202.99	A change to subheading 8202.39 through 8202.99 from any other chapter.				
82.03-82.06	A change to heading 82.03 through 82.06 from any other chapter.				
8207.13	A change to subheading 8207.13 from any other chapter; or				
	A change to subheading 8207.13 from subheading 8207.19, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:				
	(a) 60 percent where the transaction value method is used, or				
	(b) 50 percent where the net cost method is used.				
8207.19-8207.90	A change to subheading 8207.19 through 8207.90 from any other chapter.				
82.08-82.10	A change to heading 82.08 through 82.10 from any other chapter.				
8211.10	A change to subheading 8211.10 from any other chapter.				
8211.91-8211.93	A change to subheading 8211.91 through 8211.93 from any other chapter; or				
	A change to subheading 8211.91 through 8211.93 from subheading 8211.95, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:				
	(a) 60 percent where the transaction value method is used, or				
	(b) 50 percent where the net cost method is used.				
8211.94-8211.95	A change to subheading 8211.94 through 8211.95 from any other chapter.				
82.12-82.15	A change to heading 82.12 through 82.15 from any other chapter.				

#### **Chapter 83 Miscellaneous Articles of Base Metal**

 $8301.10-8301.50^{15}$  A change to subheading 8301.10 through 8301.50 from any other chapter; or

<sup>&</sup>lt;sup>15</sup> If the good provided for in subheading 8301.20 is for use in a motor vehicle of Chapter 87 as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

A change to subheading 8301.10 through 8301.50 from subheading 8301.60, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8301.60-8301.70 A change to subheading 8301.60 through 8301.70 from any other chapter.

A change to heading 83.02 through 83.04 from any other heading, including another heading within that group.

8305.10-8305.20 A change to subheading 8305.10 through 8305.20 from any other chapter; or

A change to subheading 8305.10 through 8305.20 from subheading 8305.90, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 8305.90 from any other heading.

83.06-83.07 A change to heading 83.06 through 83.07 from any other chapter.

8308.10-8308.20 A change to subheading 8308.10 through 8308.20 from any other chapter; or

A change to subheading 8308.10 through 8308.20 from subheading 8308.90, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 8308.90 from any other heading.

<sup>&</sup>lt;sup>16</sup> If the good provided for in subheading 8302.10 or 8302.30 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

83.09-83.10 A change to heading 83.09 through 83.10 from any other chapter.

8311.10-8311.30 A change to subheading 8311.10 through 8311.30 from any other chapter; or

A change to subheading 8311.10 through 8311.30 from subheading 8311.90, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 8311.90 from any other heading.

Section XVI - Machinery and Mechanical Appliances; Electrical Equipment; Parts Thereof; Sound Recorders and Reproducers, Television Image and Sound Recorders and Reproducers, and Parts and Accessories of Such Articles (Chapter 84-85)

## <u>Chapter 84 Nuclear Reactors, Boilers, Machinery and Mechanical Appliances; Parts</u> Thereof

Note 1: For purposes of this Chapter, the term "printed circuit assembly" means a good consisting of one or more printed circuits of heading 85.34 with one or more active elements assembled thereon, with or without passive elements. For purposes of this Note, "active elements" means diodes, transistors and similar semiconductor devices, whether or not photosensitive, of heading 85.41 and integrated circuits of heading 85.42 and microassemblies of heading 85.43 or 85.48.

Note 2: For purposes of subheading 8471.49, the origin of each unit presented within a system shall be determined in accordance with the rule that would be applicable to such unit if it were presented separately and the rate of duty applicable to each unit presented within a system shall be:

- (a) in the case of Mexico, the rate that would be applicable to such unit if it were presented separately; and
- (b) in the case of Canada and the United States, the rate that is applicable to such unit under the appropriate tariff item within subheading 8471.49.

For purposes of this Note, the term "unit presented within a system" shall mean:

- (a) a separate unit as described in Note 5(B) to Chapter 84 of the Harmonized System; or
- (b) any other separate machine that is presented and classified with a system under subheading 8471.49.

Note 3: The following are parts for those goods of subheading 8443.31 or 8443.32:

- (a) control or command assemblies, incorporating more than one of the following: printed circuit assembly; hard or flexible (floppy) disc drive; keyboard; user interface;
- (b) light source assemblies, incorporating more than one of the following: light emitting diode assembly; gas laser; mirror polygon assembly; base casting;
- (c) laser imaging assemblies, incorporating more than one of the following: photoreceptor belt or cylinder; toner receptable unit; toner developing unit; charge/discharge unit; cleaning unit;
- (d) image fixing assemblies, incorporating more than one of the following: fuser; pressure roller; heating element; release oil dispenser; cleaning unit; electrical control;
- (e) ink-jet marking assemblies, incorporating more than one of the following: thermal print head; ink dispensing unit; nozzle and reservoir unit; ink heater;
- (f) maintenance/sealing assemblies, incorporating more than one of the following: vacuum unit; ink-jet covering unit; sealing unit; purging unit;
- (g) paper handling assemblies, incorporating more than one of the following: paper transport belt; roller; print bar; carriage; gripper roller; paper storage unit; exit tray;
- (h) thermal transfer imaging assemblies, incorporating more than one of the following: thermal print head, cleaning unit; supply or take-up roller;
- (i) ionographic imaging assemblies, incorporating more than one of the following: ion generation and emitting unit; air assist unit; printed circuit assembly; charge receptor belt or cyclinder; toner receptacle unit; toner distribution unit; developer receptacle and distribution unit; developing unit; charge/discharge unit; cleaning unit; or
- (j) combinations of the above specified assemblies.

#### Note 4: The following are parts for facsimile machines:

- (a) control or command assemblies, incorporating more than one of the following: printed circuit assembly; modem; hard or flexible (floppy) disc drive; keyboard; user interface;
- (b) optics module assemblies, incorporating more than one of the following: optics lamp; charge couples device and appropriate optics; lenses; mirror;
- (c) laser imaging assemblies, incorporating more than one of the following: photoreceptor belt or cylinder; toner receptacle unit; toner developing unit; charge/discharge unit; cleaning unit;

- (d) ink-jet marking assemblies, incorporating more than one of the following: thermal print head; ink dispensing unit; nozzle and reservoir unit; ink heater;
- (e) thermal transfer imaging assemblies, incorporating more than one of the following: thermal print head, cleaning unit; supply or take-up roller;
- (f) ionographic imaging assemblies, incorporating more than one of the following: ion generation and emitting unit; air assist unit; printed circuit assembly; charge receptor belt or cyclinder; toner receptacle unit; toner distribution unit; developer receptacle and distribution unit; developing unit; charge/discharge unit; cleaning unit;
- (g) image fixing assemblies, incorporating more than one of the following: fuser; pressure roller; heating element; release oil dispenser; cleaning unit; electrical control;
- (h) paper handling assemblies, incorporating more than one of the following: paper transport belt; roller; print bar; carriage; gripper roller; paper storage unit; exit tray; or
- (i) combinations of the above specified assemblies.

Note 5: The following are parts for photocopying apparatus of subheading 8443.32 and 8443.39 which refer to this Note:

- (a) imaging assemblies, incorporating more than one of the following: photoreceptor belt or cylinder; toner receptacle unit; toner distribution unit; developer receptacle unit; developer distribution unit; charge/discharge unit; cleaning unit;
- (b) optics assemblies, incorporating more than one of the following: lens; mirror; illumination source; document exposure glass;
- (c) user control assemblies incorporating more than one of the following: printed circuit assembly; power supply; user input keyboard; wiring harness; display unit (cathode-ray type or flat panel);
- (d) image fixing assemblies, incorporating more than one of the following: fuser; pressure roller; heating element; release oil dispenser; cleaning unit; electrical control;
- (e) paper handling assemblies incorporating more than one of the following: paper transport belt; roller; print bar; carriage; gripper roller; paper storage unit; exit tray;
- (f) or combinations of the above specified assemblies.

8401.10-8401.30 A change to subheading 8401.10 through 8401.30 from any other heading; or

A change to subheading 8401.10 through 8401.30 from subheading 8401.40, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

(a) 60 percent where the transaction value method is used, or

(b) 50 percent where the net cost method is used.

A change to subheading 8401.40 from any other heading.

8402.11-8402.20 A change to subheading 8402.11 through 8402.20 from any other heading;

A change to subheading 8402.11 through 8402.20 from subheading 8402.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 8402.90 from any other heading; or

No required change in tariff classification to subheading 8402.90, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8403.10 A change to subheading 8403.10 from any other heading; or

A change to subheading 8403.10 from subheading 8403.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 8403.90 from any other heading.

8404.10-8404.20 A change to subheading 8404.10 through 8404.20 from any other heading; or

A change to subheading 8404.10 through 8404.20 from subheading 8404.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8404.90	A change to subheading 8404.90 from any other heading.				
8405.10	A change to subheading 8405.10 from any other heading; or				
	A change to subheading 8405.10 from subheading 8405.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:				
	(a) 60 percent where the transaction value method is used, or				
	(b) 50 percent where the net cost method is used.				
8405.90	A change to subheading 8405.90 from any other heading.				
8406.10	A change to subheading 8406.10 from any other subheading.				
8406.81-8406.82	A change to subheading 8406.81 through 8406.82 from any subheading outside that group.				
8406.90	A change to subheading 8406.90 from any other heading.				
8406.90.aa	A change to tariff item 8406.90.aa from tariff item 8406.90.cc or any other heading; or				
	A change to tariff item 8406.90.aa from any other good within subheading 8406.90, whether or not there is also a change from tariff item 8406.90.cc or any other heading, provided there is a regional value content of not less than:				
	(a) 60 percent where the transaction value method is used, or				
	(b) 50 percent where the net cost method is used.				
8406.90.bb	A change to tariff item 8406.90.bb from any other tariff item; or				
	No required change in tariff classification to tariff item 8406.90.bb, provided there is a regional value content of not less than:				
	(a) 60 percent where the transaction value method is used, or				
	(b) 50 percent where the net cost method is used.				
8406.90	A change to subheading 8406.90 from any other heading.				

$8407.10 - 8407.34^{17}$	A change to subheading 8407.10 through 8407.34 from any other heading, provided there is a regional value content of not less than:				
	(a) 60 percent where the transaction value method is used, or				
	(b)	50 percent where the net cost method is used.			
8407.9018	A change to subheading 8407.90 from any other subheading.				
8408.10 <sup>19</sup>	A change to subheading 8408.10 from any other subheading.				
8408.20 <sup>20</sup>	A change to subheading 8408.20 from any other heading, provided there is a regional value content of not less than:				
	(a)	60 percent where the transaction value method is used, or			
	(b)	50 percent where the net cost method is used.			
8408.90 <sup>21</sup>	A change to subheading 8408.90 from any other subheading.				
8409.10	A change to subheading 8409.10 from any other heading.				

<sup>17</sup> If the good is for use in a passenger vehicle or light truck as defined in the Appendix to this Annex, then Articles 3.2 and 3.3 of the Appendix shall apply. If the good is for use in a heavy truck as defined in the Appendix to this Annex, Articles 4.2 and 4.4 of the Appendix shall apply. If the good is for use in another vehicle of Chapter 87, Articles 10.1 and 10.2 of the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>18</sup> If the good is for use in a passenger vehicle or light truck as defined in the Appendix to this Annex, then Articles 3.2 and 3.3 of the Appendix shall apply. If the good is for use in a heavy truck as defined in the Appendix to this Annex, Articles 4.2 and 4.4 of the Appendix shall apply. If the good is for use in another vehicle of Chapter 87, Articles 10.1 and 10.2 of the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>19</sup> If the good is for use in a passenger vehicle or light truck as defined in the Appendix to this Annex, then Articles 3.2 and 3.3 of the Appendix shall apply. If the good is for use in a heavy truck as defined in the Appendix to this Annex, Articles 4.2 and 4.4 of the Appendix shall apply. If the good is for use in another vehicle of Chapter 87, Articles 10.1 and 10.2 of the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>20</sup> If the good is for use in a passenger vehicle or light truck as defined in the Appendix to this Annex, then Articles 3.2 and 3.3 of the Appendix shall apply. If the good is for use in a heavy truck as defined in the Appendix to this Annex, Articles 4.2 and 4.4 of the Appendix shall apply. If the good is for use in another vehicle of Chapter 87, Articles 10.1 and 10.2 of the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>21</sup> If the good is for use in a passenger vehicle or light truck as defined in the Appendix to this Annex, then Articles 3.2 and 3.3 of the Appendix shall apply. If the good is for use in a heavy truck as defined in the Appendix to this Annex, Articles 4.2 and 4.4 of the Appendix shall apply. If the good is for use in another vehicle of Chapter 87, Articles 10.1 and 10.2 of the Appendix to this Annex shall apply.

8409.91 <sup>22</sup>	A change to subheading 8409.91 from any other heading; or				
	No required change in tariff classification to subheading 8409.91, provided there is a regional value content of not less than:				
	(a) 60 percent where the transaction value method is used, or				
	(b) 50 percent where the net cost method is used.				
8409.99 <sup>23</sup>	A change to subheading 8409.99 from any other heading; or				
	No required change in tariff classification to subheading 8409.99, provided there is a regional value content of not less than:				
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>				
8410.11-8410.13	A change to subheading 8410.11 through 8410.13 from any other heading; or				
	A change to subheading 8410.11 through 8410.13 from subheading 8410.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:				
	(a) 60 percent where the transaction value method is used, or				
	(b) 50 percent where the net cost method is used.				
8410.90	A change to subheading 8410.90 from any other heading.				
8411.11-8411.82	A change to subheading 8411.11 through 8411.82 from any subheading outside that group.				
8411.91	A change to subheading 8411.91 from any other heading.				
8411.99	A change to subheading 8411.99 from any other heading; or				
	No required change in tariff classification to subheading 8411.99, provided there is a regional value content of not less than:				

<sup>&</sup>lt;sup>22</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>23</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

(a)	60 per	cent whei	re the	transaction	value me	ethod is	used, or
(1)	<b>-</b> 0	4	. 4		.1 1 .	4	

(b) 50 percent where the net cost method is used.

8412.10-8412.80 A change to subheading 8412.10 through 8412.80 from any other subheading, including another subheading within that group.

8412.90 A change to subheading 8412.90 from any other heading.

8413.11-8413.82<sup>24</sup> A change to subheading 8413.11 through 8413.82 from any other heading; or

A change to subheading 8413.11 through 8413.82 from subheading 8413.91 through 8413.92, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 8413.91 from any other heading.

A change to subheading 8413.92 from any other heading; or

No required change in tariff classification to subheading 8413.92, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8414.10-8414.20 A change to subheading 8414.10 through 8414.20 from any other heading; or

A change to subheading 8414.10 through 8414.20 from subheading 8414.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

<sup>&</sup>lt;sup>24</sup> If the good provided for in subheadings 8413.30 or 8413.50 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>25</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 8414.30 from any other subheading, except from tariff item 8414.90.aa.

A change to subheading 8414.40 from any other heading; or

A change to subheading 8414.40 from subheading 8414.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8414.51 A change to subheading 8414.51 from any other subheading.

8414.59-8414.80<sup>27</sup> A change to subheadings 8414.59 through 8414.80 from any other heading; or

A change to subheadings 8414.59 through 8414.80 from subheading 8414.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 per cent where the transaction value method is used, or
- (b) 50 per cent where the net cost method is used.

A change to subheading 8414.90 from any other heading; or

No required change in tariff classification to subheading 8414.90, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

<sup>&</sup>lt;sup>26</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>27</sup> If the good provided for in subheading 8414.59 or 8414.80 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

8415.10

A change to self-contained window or wall type air conditioning machines of subheading 8415.10 from any other subheading, except from tariff item 8415.90.aa or assemblies incorporating more than one of the following: compressor, condenser, evaporator, connecting tubing;

A change to "split-systems" of subheading 8415.10 from any other subheading, except from subheading 8415.20 through 8415.83, tariff item 8415.90.aa or assemblies incorporating more than one of the following: compressor, condenser, evaporator, connecting tubing; or

A change to "split-systems" of subheading 8415.10 from tariff item 8415.90.aa or assemblies incorporating more than one of the following: compressor, condenser, evaporator, connecting tubing, whether or not there is also a change from subheading 8415.20 through 8415.83, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8415.20-8415.83<sup>28</sup>

A change to subheading 8415.20 through 8415.83 from any subheading outside that group, except from "split-systems" of subheading 8415.10, tariff item 8415.90.aa or assemblies incorporating more than one of the following: compressor, condenser, evaporator, connecting tubing; or

A change to subheading 8415.20 through 8415.83 from tariff item 8415.90.aa or assemblies incorporating more than one of the following: compressor, condenser, evaporator, connecting tubing, whether or not there is also a change from any subheading outside that group, except from "split-systems" of subheading 8415.10, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

 $8415.90^{29}$ 

8415.90.aa

A change to tariff item 8415.90.aa from any other tariff item.

<sup>&</sup>lt;sup>28</sup> If the good provided for in subheading 8415.20 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>29</sup> If the good provided for in subheading 8415.90 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

8415.90 A change to subheading 8415.90 from any other heading.

A change to subheading 8416.10 through 8416.30 from any other heading; 8416.10-8416.30

> A change to subheading 8416.10 through 8416.30 from subheading 8416.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- 50 percent where the net cost method is used. (b)

8416.90 A change to subheading 8416.90 from any other heading.

A change to subheading 8417.10 through 8417.80 from any other heading; 8417.10-8417.80

> A change to subheading 8417.10 through 8417.80 from subheading 8417.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- 50 percent where the net cost method is used. (b)

8417.90 A change to subheading 8417.90 from any other heading.

A change to subheading 8418.10 through 8418.21 from any subheading outside that group, except from subheading 8418.91, tariff item 8418.99.aa or assemblies incorporating more than one of the following: compressor, condenser, evaporator, connecting tubing.

A change to absorption-type electrical household refrigerators of subheading 8418.29 from any other heading;

> A change to absorption-type electrical household refrigerators of subheading 8418.29 from subheading 8418.91 through 8418.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used; or

A change to any other good of subheading 8418.29 from any other subheading, except from subheading 8418.30, 8418.40 or 8418.91, door

8418.10-8418.21

8418.29

assemblies incorporating more than one of the following: inner panel,
outer panel, insulation, hinges, handles of subheading 8418.99 or
assemblies incorporating more than one of the following: compressor,
condenser, evaporator, connecting tubing.

8418.30-8418.40

A change to subheading 8418.30 through 8418.40 from any subheading outside that group, except from any good, other than absorption-type electrical household refrigerators, of subheading 8418.29 or 8418.91, door assemblies incorporating more than one of the following: inner panel, outer panel, insulation, hinges, handles of subheading 8418.99 or assemblies incorporating more than one of the following: compressor, condenser, evaporator, connecting tubing.

8418.50-8418.69

A change to subheading 8418.50 through 8418.69 from any other heading; or

A change to subheading 8418.50 through 8418.69 from subheading 8418.91 through 8418.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8418.91 A change to subheading 8418.91 from any other subheading.

8418.99

A change to tariff item 8418.99.aa from any other tariff item.

A change to subheading 8418.99 from any other heading.

8419.11-8419.89 A change to subheading 8419.11 through 8419.89 from any other heading; or

A change to subheading 8419.11 through 8419.89 from subheading 8419.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8419.90 A change to subheading 8419.90 from any other heading; or

No required change in tariff classification to subheading 8419.90, provided there is a regional value content of not less than:

(a) 60 percent where the transaction value method is used, or

(b) 50 percent where the net cost method is used.

A change to subheading 8420.10 from any other heading; or

A change to subheading 8420.10 from subheading 8420.91 through 8420.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

(a) 60 percent where the transaction value method is used, or

(b) 50 percent where the net cost method is used.

8420.91-8420.99 A change to subheading 8420.91 through 8420.99 from any other heading.

A change to subheading 8421.11 from any other heading; or

A change to subheading 8421.11 from subheading 8421.91, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 8421.12 from any other subheading, except from tariff item 8421.91.aa, 8421.91.bb or 8537.10.aa.

A change to subheading 8421.19 through 8421.39 from any other heading; or A change to subheading 8421.19 through 8421.39 from subheading 8421.91 through 8421.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8421.91

A change to tariff item 8421.91.aa from any other tariff item.

<sup>&</sup>lt;sup>30</sup> If the good provided for in subheading 8421.39 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

8421.91.bb	A change to tariff item 8421.91.bb from any other tariff item.
8421.91	A change to subheading 8421.91 from any other heading.
8421.99	A change to subheading 8421.99 from any other heading; or
No required change in tariff classification to subheading 8421.99, provided there is a regional value content of not less than:	
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>
8422.11	A change to subheading 8422.11 from any other subheading, except from tariff item 8422.90.aa, 8422.90.bb, 8537.10.aa or water circulation systems incorporating a pump, whether or not motorized, and auxiliary apparatus for controlling, filtering, or dispersing a spray.
8422.19-8422.40	A change to subheading 8422.19 through 8422.40 from any other heading; or
	A change to subheading 8422.19 through 8422.40 from subheading 8422.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>
8422.90	
8422.90.aa	A change to tariff item 8422.90.aa from any other tariff item.
8422.90.bb	A change to tariff item 8422.90.bb from any other tariff item.
8422.90	A change to subheading 8422.90 from any other heading.
8423.10-8423.89	A change to subheading 8423.10 through 8423.89 from any other heading; or
	A change to subheading 8423.10 through 8423.89 from subheading 8423.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
	(a) 60 percent where the transaction value method is used, or

(b) 50 percent where the net cost method is used.

A change to subheading 8423.90 from any other heading.

8424.10-8424.89 A change to subheading 8424.10 through 8424.89 from any other

subheading, including another subheading within that group.

A change to subheading 8424.90 from any other heading.

84.25-84.26<sup>31</sup> A change to heading 84.25 through 84.26 from any other heading, including another heading within that group, except from heading 84.31;

A change to heading 84.25 through 84.26 from heading 84.31, whether or not there is also a change from any other heading, including another heading within that group, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8427.10

A change to tariff item 8427.10.aa from any other heading, except from subheading 8431.20 or 8483.40 or heading 85.01; or

A change to tariff item 8427.10.aa from subheading 8431.20 or 8483.40 or heading 85.01, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 8427.10 from any other heading, except from subheading 8431.20; or

<sup>&</sup>lt;sup>31</sup> If the good provided for in subheadings 8425.49 or 8426.91 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

A change to subheading 8427.10 from subheading 8431.20, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

-	`		1		1	.1 1	•	1	
- (	a)	60 percent where t	he	trangaction	Waliie	method	1 C	nced	or
١,	a)	oo percent where t	110	uansacuon	varuc	memou	13	uscu,	OI

(b) 50 percent where the net cost method is used.

A change to subheading 8427.20 from any other subheading.

A change to subheading 8427.90 from any other heading, except from subheading 8431.20; or

A change to subheading 8427.90 from subheading 8431.20, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8428.10-8430.69 A change to subheading 8428.10 through 8430.69 from any other subheading, including another subheading within that group.

8431.10-8431.49<sup>32</sup> A change to subheading 8431.10 through 8431.49 from any other heading; or

No required change in tariff classification to any of subheading 8431.10 through 8431.49, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8432.10-8432.80 A change to subheading 8432.10 through 8432.80 from any other subheading, including another subheading within that group.

A change to subheading 8432.90 from any other heading.

8433.11-8433.60 A change to subheading 8433.11 through 8433.60 from any other subheading, including another subheading within that group.

<sup>&</sup>lt;sup>32</sup> If the good provided for in subheading 8431.10 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

8433.90	A change to subheading 8433.90 from any other heading.	
8434.10-8434.20	A change to subheading 8434.10 through 8434.20 from any other heading; or	
	A change to subheading 8434.10 through 8434.20 from subheading 8434.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:	
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>	
8434.90	A change to subheading 8434.90 from any other heading.	
8435.10	A change to a good of subheading 8435.10 from any other good within that subheading or any other subheading.	
8435.90	A change to subheading 8435.90 from any other heading.	
8436.10-8436.80	A change to subheading 8436.10 through 8436.80 from any other subheading, including another subheading within that group.	
8436.91-8436.99	A change to subheading 8436.91 through 8436.99 from any other heading.	
8437.10-8437.80	A change to subheading 8437.10 through 8437.80 from any other heading; or	
	A change to subheading 8437.10 through 8437.80 from subheading 8437.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:	
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>	
8437.90	A change to subheading 8437.90 from any other heading.	
8438.10-8438.80	A change to subheading 8438.10 through 8438.80 from any other heading; or	
	A change to subheading 8438.10 through 8438.80 from subheading 8438.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:	
	(a) 60 percent where the transaction value method is used, or	

(b) 50 percent where the net cost method is used.

A change to subheading 8438.90 from any other heading.

8439.10-8439.30 A change to subheading 8439.10 through 8439.30 from any other heading;

A change to subheading 8439.10 through 8439.30 from subheading 8439.91 through 8439.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8439.91-8439.99 A change to subheading 8439.91 through 8439.99 from any other heading.

A change to subheading 8440.10 from any other heading; or

A change to subheading 8440.10 from subheading 8440.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 8440.90 from any other heading.

8441.10-8441.80 A change to subheading 8441.10 through 8441.80 from any other heading; or

A change to subheading 8441.10 through 8441.80 from subheading 8441.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 8441.90 from any other heading; or

No required change in tariff classification to subheading 8441.90, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8442.30 A change to subheading 8442.30 from any other heading; or A change to subheading 8442.30 from subheading 8442.40 through 8442.50, whether or not there is also a change from any other heading, provided there is a regional value content of not less than: (a) 60 percent where the transaction value method is used, or (b) 50 percent where the net cost method is used. 8442.40-8442.50 A change to subheading 8442.40 through 8442.50 from any other heading. 8443.11-8443.19 A change to subheading 8443.11 through 8443.19 from any other heading; A change to subheading 8443.11 through 8443.19 from any other subheading within that group or subheading 8443.91, whether or not there is also a change from any other heading, provided there is a regional value content of not less than: (a) 60 percent where the transaction value method is used; or (b) 50 percent where the net cost method is used. 8443.31-8443.39 A change to a good of any of subheading 8443.31 through 8443.39 from any other good within that subheading or any other subheading, including another subheading within that group. 8443.91 A change to subheading 8443.91 from any other subheading; or A change to a good of subheading 8443.91 from any other good within that subheading, whether or not there is also a change from any other subheading, provided there is a regional value content of not less than: (a) 60 percent where the transaction value method is used; or (b) 50 percent where the net cost method is used. A change to a good of subheading 8443.99 from any other good within 8443.99 that subheading or any other subheading. 84.44-84.47 A change to heading 84.44 through 84.47 from any heading outside that group, except from heading 84.48; or

A change to heading 84.44 through 84.47 from heading 84.48, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8448.11-8448.19 A change to subheading 8448.11 through 8448.19 from any other heading;

A change to subheading 8448.11 through 8448.19 from subheading 8448.20 through 8448.59, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8448.20-8448.59 A change to subheading 8448.20 through 8448.59 from any other heading.

A change to heading 84.49 from any other heading.

A change to subheading 8450.11 through 8450.20 from any subheading outside that group, except from tariff item 8450.90.aa, 8450.90.bb, 8537.10.aa or washer assemblies incorporating more than one of the

following: agitator, motor, transmission, clutch.

8450.90

A change to tariff item 8450.90.aa from any other tariff item.

A change to tariff item 8450.90.bb from any other tariff item.

A change to subheading 8450.90 from any other heading.

A change to subheading 8451.10 from any other heading; or

A change to subheading 8451.10 from subheading 8451.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8451.21-8451.29	A change to subheading 8451.21 through 8451.29 from any subheading outside that group, except from tariff item 8451.90.aa or 8451.90.bb or subheading 8537.10.	
8451.30-8451.80	A change to subheading 8451.30 through 8451.80 from any other heading; or	
	A change to subheading 8451.30 through 8451.80 from subheading 8451.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:	
8451.90	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>	
8451.90.aa	A change to tariff item 8451.90.aa from any other tariff item.	
8451.90.bb	A change to tariff item 8451.90.bb from any other tariff item.	
8451.90	A change to subheading 8451.90 from any other heading.	
8452.10-8452.30:	A change to subheading 8452.10 through 8452.30 from any other heading; or	
	A change to subheading 8452.10 through 8452.30 from subheading 8452.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:	
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>	
8452.90:	A change to subheading 8452.90 from any other heading.	
8453.10-8453.80	A change to subheading 8453.10 through 8453.80 from any other heading; or	
	A change to subheading 8453.10 through 8453.80 from subheading 8453.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:	
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>	
8453.90	A change to subheading 8453.90 from any other heading.	

8454.10-8454.30 A change to subheading 8454.10 through 8454.30 from any other heading; A change to subheading 8454.10 through 8454.30 from subheading 8454.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than: 60 percent where the transaction value method is used, or (a) (b) 50 percent where the net cost method is used. 8454.90 A change to subheading 8454.90 from any other heading. A change to subheading 8455.10 through 8455.22 from any subheading 8455.10-8455.22 outside that group, except from tariff item 8455.90.aa. 8455.30 A change to subheading 8455.30 from any other heading; or A change to subheading 8455.30 from subheading 8455.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than: (a) 60 percent where the transaction value method is used, or 50 percent where the net cost method is used. (b) 8455.90 A change to subheading 8455.90 from any other heading. 8456.10 A change to subheading 8456.10 from any other heading, except from more than one of the following: - tariff item 8466.93.aa, - subheading 8537.10, - subheading 9013.20. 8456.20-8456.30 A change to subheading 8456.20 through 8456.30 from any other heading, except from more than one of the following: - subheading 8413.50 through 8413.60, - tariff item 8466.93.aa, - subheading 8501.32 or 8501.52, - subheading 8537.10.

8456.90:

A change to water-jet cutting machinery of subheading 8456.90 from any other good within that subheading, subheading 8456.10 through 8456.30 or any other heading, except from subheading 8466.93 or heading 84.79;

A change to water-jet cutting machinery of subheading 8456.90 from subheading 8466.93, whether or not there is also a change from any other good within subheading 8456.90, subheading 8456.10 through 8456.30 or any other heading, except from heading 84.79, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used; or

A change to any other good of subheading 8456.90 from water-jet cutting machinery within that subheading or any other heading, except from more than one of the following:

- subheading 8413.50 through 8413.60,
- tariff item 8466.93.aa,
- subheading 8501.32 or 8501.52,
- subheading 8537.10.

84.57 84.59 A change to heading 84.57 from any other heading, except from heading or more than one of the following:

- subheading 8413.50 through 8413.60,
- tariff item 8466.93.aa,
- subheading 8501.32 or 8501.52,
- subheading 8537.10.

8458.11

A change to subheading 8458.11 from any other heading, except from more than one of the following:

- subheading 8413.50 through 8413.60,
- tariff item 8466.93.aa,
- subheading 8501.32 or 8501.52,
- subheading 8537.10.

8458.19

A change to subheading 8458.19 from any other heading, except from tariff item 8466.93.aa or subheading 8501.32 or 8501.52.

8458.91

A change to subheading 8458.91 from any other heading, except from more than one of the following:

- subheading 8413.50 through 8413.60, - tariff item 8466.93.aa, - subheading 8501.32 or 8501.52, - subheading 8537.10. 8458.99 A change to subheading 8458.99 from any other heading, except from tariff item 8466.93.aa or subheading 8501.32 or 8501.52. 8459.10 A change to subheading 8459.10 from any other heading, except from tariff item 8466.93.aa or subheading 8501.32 or 8501.52. 8459.21 A change to subheading 8459.21 from any other heading, except from more than one of the following: - subheading 8413.50 through 8413.60, - tariff item 8466.93.aa, - subheading 8501.32 or 8501.52, - subheading 8537.10; or A change to subheading 8459.21 from more than one of the following: - subheading 8413.50 through 8413.60, - tariff item 8466.93.aa. - subheading 8501.32 or 8501.52, - subheading 8537.10, whether or not there is also a change from any other heading, provided there is a regional value content of not less than: (a) 60 percent where the transaction value method is used, or 50 percent where the net cost method is used. (b) 8459.29 A change to subheading 8459.29 from any other heading, except from tariff item 8466.93.aa or subheading 8501.32 or 8501.52. 8459.31 A change to subheading 8459.31 from any other heading, except from more than one of the following: - subheading 8413.50 through 8413.60, - tariff item 8466.93.aa, - subheading 8501.32 or 8501.52, - subheading 8537.10; or

A change to subheading 8459.31 from more than one of the following:

- subheading 8413.50 through 8413.60,
- tariff item 8466.93.aa,
- subheading 8501.32 or 8501.52,
- subheading 8537.10,

whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.
- A change to subheading 8459.39 from any other heading, except from tariff item 8466.93.aa or subheading 8501.32 or 8501.52.
- A change to subheading 8459.40 through 8459.51 from any other heading, except from more than one of the following:
  - subheading 8413.50 through 8413.60,
  - tariff item 8466.93.aa,
  - subheading 8501.32 or 8501.52,
  - subheading 8537.10; or

A change to subheading 8459.40 through 8459.51 from more than one of the following:

- subheading 8413.50 through 8413.60,
- tariff item 8466.93.aa,
- subheading 8501.32 or 8501.52,
- subheading 8537.10,

whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.
- A change to subheading 8459.59 from any other heading, except from tariff item 8466.93.aa or subheading 8501.32 or 8501.52.
- A change to subheading 8459.61 from any other heading, except from more than one of the following:

- subheading 8413.50 through 8413.60,
- tariff item 8466.93.aa,
- subheading 8501.32 or 8501.52,
- subheading 8537.10; or

A change to subheading 8459.61 from more than one of the following:

- subheading 8413.50 through 8413.60,
- tariff item 8466.93.aa,
- subheading 8501.32 or 8501.52,
- subheading 8537.10,

whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8459.69

A change to subheading 8459.69 from any other heading, except from tariff item 8466.93.aa or subheading 8501.32 or 8501.52.

8459.70

8459.70.aa

A change to tariff item 8459.70.aa from any other heading, except from more than one of the following:

- subheading 8413.50 through 8413.60,
- tariff item 8466.93.aa,
- subheading 8501.32 or 8501.52,
- subheading 8537.10; or

A change to tariff item 8459.70.aa from more than one of the following:

- subheading 8413.50 through 8413.60,
- tariff item 8466.93.aa,
- subheading 8501.32 or 8501.52,
- subheading 8537.10;

whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8459.70	A change to subheading 8459.70 from any other heading, except from tariff item 8466.93.aa or subheading 8501.32 or 8501.52.
8460.11	A change to subheading 8460.11 from any other heading, except from more than one of the following:
	- subheading 8413.50 through 8413.60, - tariff item 8466.93.aa, - subheading 8501.32 or 8501.52, - subheading 8537.10.
8460.19	A change to subheading 8460.19 from any other heading, except from tariff item 8466.93.aa or subheading 8501.32 or 8501.52.
8460.21	A change to subheading 8460.21 from any other heading, except from more than one of the following:
	- subheading 8413.50 through 8413.60,
	- tariff item 8466.93.aa, - subheading 8501.32 or 8501.52,
	- subheading 8537.10.
8460.29	A change to subheading 8460.29 from any other heading, except from tariff item 8466.93.aa or subheading 8501.32 or 8501.52.
8460.31	A change to subheading 8460.31 from any other heading, except from more than one of the following:
	- subheading 8413.50 through 8413.60,
	- tariff item 8466.93.aa, - subheading 8501.32 or 8501.52,
	- subheading 8537.10.
8460.39	A change to subheading 8460.39 from any other heading, except from tariff item 8466.93.aa or subheading 8501.32 or 8501.52.
8460.40	
8460.40.aa	A change to tariff item 8460.40.aa from any other heading, except from more than one of the following:
	- subheading 8413.50 through 8413.60, - tariff item 8466.93.aa,

	- subheading 8501.32 or 8501.52, - subheading 8537.10.
8460.40	A change to subheading 8460.40 from any other heading, except from tariff item 8466.93.aa or subheading 8501.32 or 8501.52.
8460.90	
8460.90.aa	A change to tariff item 8460.90.aa from any other heading, except from more than one of the following:
	- subheading 8413.50 through 8413.60, - tariff item 8466.93.aa, - subheading 8501.32 or 8501.52, - subheading 8537.10.
8460.90	A change to subheading 8460.90 from any other heading, except from tariff item 8466.93.aa or subheading 8501.32 or 8501.52.
8461.20	
8461.20.aa	A change to tariff item 8461.20.aa from any other heading, except from more than one of the following:
	- subheading 8413.50 through 8413.60, - tariff item 8466.93.aa, - subheading 8501.32 or 8501.52, - subheading 8537.10.
8461.20	A change to subheading 8461.20 from any other heading, except from tariff item 8466.93.aa.
8461.30	
8461.30.aa	A change to tariff item 8461.30.aa from any other heading, except from more than one of the following:
	- subheading 8413.50 through 8413.60, - tariff item 8466.93.aa, - subheading 8501.32 or 8501.52, - subheading 8537.10.
8461.30	A change to subheading 8461.30 from any other heading, except from tariff item 8466.93.aa.

8461.40	A change to subheading 8461.40 from any other heading, except from tariff item 8466.93.aa.
8461.50	
8461.50.aa	A change to tariff item 8461.50.aa from any other heading, except from more than one of the following:
	- subheading 8413.50 through 8413.60, - tariff item 8466.93.aa, - subheading 8501.32 or 8501.52, - subheading 8537.10.
8461.50	A change to subheading 8461.50 from any other heading, except from tariff item 8466.93.aa.
8461.90	
8461.90.aa	A change to tariff item 8461.90.aa from any other heading, except from more than one of the following:
	- subheading 8413.50 through 8413.60, - tariff item 8466.93.aa, - subheading 8501.32 or 8501.52, - subheading 8537.10.
8461.90	A change to subheading 8461.90 from any other heading, except from tariff item 8466.93.aa.
8462.10	A change to subheading 8462.10 from any other heading, except from tariff item 8466.94.aa or 8483.50.aa.
8462.21	A change to subheading 8462.21 from any other heading, except from more than one of the following:
	- subheading 8413.50 through 8413.60, - tariff item 8466.94.aa, - tariff item 8483.50.aa, - subheading 8501.32 or 8501.52, - subheading 8537.10.
8462.29	A change to subheading 8462.29 from any other heading, except from tariff item 8466.94.aa or 8483.50.aa.

8462.31	A change to subheading 8462.31 from any other heading, except from more than one of the following:
	- subheading 8413.50 through 8413.60, - tariff item 8466.94.aa, - tariff item 8483.50.aa, - subheading 8501.32 or 8501.52, - subheading 8537.10.
8462.39	A change to subheading 8462.39 from any other heading, except from tariff item 8466.94.aa or 8483.50.aa.
8462.41	A change to subheading 8462.41 from any other heading, except from more than one of the following:
	- subheading 8413.50 through 8413.60,
	- tariff item 8466.94.aa, - tariff item 8483.50.aa,
	- subheading 8501.32 or 8501.52, - subheading 8537.10.
8462.49	A change to subheading 8462.49 from any other heading, except from tariff item 8466.94.aa or 8483.50.aa.
8462.91	A change to subheading 8462.91 from any other heading.
8462.99	
8462.99.aa	A change to tariff item 8462.99.aa from any other heading, except from more than one of the following:
	- subheading 8413.50 through 8413.60,
	- tariff item 8466.94.aa, - tariff item 8483.50.aa,
	- subheading 8501.32 or 8501.52, - subheading 8537.10.
8462.99	A change to subheading 8462.99 from any other heading, except from tariff item 8466.94.aa or 8483.50.aa.
84.63	A change to heading 84.63 from any other heading, except from tariff item 8466.94.aa or 8483.50.aa or subheading 8501.32 or 8501.52.

84.64 A change to heading 84.64 from any other heading, except from subheading 8466.91; or

> A change to heading 84.64 from subheading 8466.91, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to heading 84.65 from any other heading, except from 84.65 subheading 8466.92; or

> A change to heading 84.65 from subheading 8466.92, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

84.66 A change to heading 84.66 from any other heading.

8467.11-8467.19 A change to subheading 8467.11 through 8467.19 from any other heading;

> A change to subheading 8467.11 through 8467.19 from subheading 8467.91 or 8467.92, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- 60 percent where the transaction value method is used, or (a)
- 50 percent where the net cost method is used. (b)

8467.21-8467.29 A change to subheading 8467.21 through 8467.29 from any subheading outside that group, except from housings of subheading 8467.91 or 8467.99 or heading 85.01; or

> A change to subheading 8467.21 through 8467.29 from housings of subheading 8467.91 or 8467.99 or heading 85.01, whether or not there is also a change from any subheading outside that group, provided there is a regional value content of not less than:

- 60 percent where the transaction value method is used, or (a)
- 50 percent where the net cost method is used. (b)

8467.81-8467.89 A change to subheading 8467.81 through 8467.89 from any other heading; or

> A change to subheading 8467.81 through 8467.89 from subheading 8467.91 or 8467.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- 50 percent where the net cost method is used. (b)

8467.91-8467.99 A change to subheading 8467.91 through 8467.99 from any other heading.

8468.10-8468.80 A change to subheading 8468.10 through 8468.80 from any other heading;

> A change to subheading 8468.10 through 8468.80 from subheading 8468.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- 60 percent where the transaction value method is used, or (a)
- (b) 50 percent where the net cost method is used.

8468.90 A change to subheading 8468.90 from any other heading.

84.69 A change to word-processing machines of heading 84.69 from any other heading, except from heading 84.73; or

> A change to word-processing machines of heading 84.69 from heading 84.73, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method;

A change to any other good of heading 84.69 from any other heading, except from heading 84.73; or

A change to any other good of heading 84.69 from heading 84.73, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- 60 percent where the transaction value method is used, or (a)
- (b) 50 percent where the net cost method is used.

84.70 A change to heading 84.70 from any other heading, except from heading 84.73; or

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A change to heading 84.70 from heading 84.73, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.
- A change to a good of subheading 8471.30 from any other good within that subheading or any other subheading, except from subheading 8471.41

through 8471.50.

A change to a good of subheading 8471.41 from any other good within that subheading or any other subheading, except from subheading 8471.30 or 8471.49 through 8471.50.

8471.49

Note: The origin of each unit presented within a system shall be determined as though each unit were presented separately and were classified under the appropriate tariff provision for that unit.

A change to analogue or hybrid automatic data processing machines of subheading 8471.50 from any other heading, except from heading 84.73; or

A change to analogue or hybrid automatic data processing machines of subheading 8471.50 from heading 84.73, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used; or

A change to any other good of subheading 8471.50 from analogue or hybrid automatic data processing machines of subheading 8471.50 or any other subheading, except from subheading 8471.30 through 8471.49.

- 8471.60 A change to subheading 8471.60 from any other subheading, except from subheading 8471.49.
- A change to subheading 8471.70 from any other subheading, except from subheading 8471.49.

8471.80

8471.80.aa	A change to tariff item 8471.80.aa from any other tariff item, except from subheading 8471.49.		
8471.80.cc	A change to tariff item 8471.80.cc from any other tariff item, except from subheading 8471.49.		
8471.80	A change to any other tariff item within subheading 8471.80 from tariff item 8471.80.aa or 8471.80.cc or any other subheading, except from subheading 8471.49.		
8471.90	A change to subheading 8471.90 from any other subheading.		
84.72	A change to heading 84.72 from any other heading, except from heading 84.73; or		
	A change to heading 84.72 from heading 84.73, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:		
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>		
8473.10			
8473.10.aa	A change to tariff item 8473.10.aa from any other heading.		
8473.10.bb	A change to tariff item 8473.10.bb from any other heading; or		
	No required change in tariff classification to tariff item 8473.10.bb, provided there is a regional value content of not less than:		
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>		
8473.10	A change to subheading 8473.10 from any other heading.		
8473.21	A change to subheading 8473.21 from any other heading; or		
	No required change in tariff classification to subheading 8473.21, provided there is a regional value content of not less than:		
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>		

8473.29	A change to subheading 8473.29 from any other heading; or	
	No required change in tariff classification to subheading 8473.29, provided there is a regional value content of not less than:	
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>	
8473.30		
8473.30.aa	A change to tariff item 8473.30.aa from any other tariff item.	
8473.30.bb	A change to tariff item 8473.30.bb from any other tariff item.	
8473.30	A change to subheading 8473.30 from any other heading; or	
	No required change in tariff classification to subheading 8473.30, provided there is a regional value content of not less than:	
	<ul> <li>(a) 60 per cent where the transaction value method is used, or</li> <li>(b) 50 per cent where the net cost method is used.</li> </ul>	
8473.40	A change to subheading 8473.40 from any other heading; or	
	No required change in tariff classification to subheading 8473.40, provided there is a regional value content of not less than:	
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>	
8473.50		
8473.50.aa	A change to tariff item 8473.50.aa from any other tariff item.	
8473.50.bb	A change to tariff item 8473.50.bb from any other tariff item.	
8473.50	Note: The alternative rule which contains a regional value content requirement does not apply to a part or accessory provided for in subheading 8473.50 if that part or accessory is used in the production of a good provided for in subheading 8469.11 or heading 84.71.	
	A change to subheading 8473.50 from any other heading; or	

No required change in tariff classification to subheading 8473.50, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8474.10-8474.80

A change to subheading 8474.10 through 8474.80 from any other heading; or

A change to subheading 8474.10 through 8474.80 from subheading 8474.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8474.90

A change to subheading 8474.90 from any other heading; or

No required change in tariff classification to subheading 8474.90, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8475.10-8475.29

A change to subheading 8475.10 through 8475.29 from any other heading; or

A change to subheading 8475.10 through 8475.29 from subheading 8475.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8475.90

A change to subheading 8475.90 from any other heading.

8476.21-8476.89

A change to subheading 8476.21 through 8476.89 from any other heading; or

A change to subheading 8476.21 through 8476.89 from subheading 8476.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

(a) 60 percent where the transaction value method is used, or

	(b) 50 percent where the net cost method is used.		
8476.90	A change to subheading 8476.90 from any other heading.		
8477.10	A change to subheading 8477.10 from any other subheading, except from tariff item 8477.90.aa or more than one of the following:		
	- tariff item 8477.90.bb, - subheading 8537.10.		
8477.20	A change to subheading 8477.20 from any other subheading, except from tariff item 8477.90.aa or more than one of the following:		
	- tariff item 8477.90.bb, - subheading 8537.10.		
8477.30	A change to subheading 8477.30 from any other subheading, except from tariff item 8477.90.aa or more than one of the following:		
	- tariff item 8477.90.cc, - subheading 8537.10.		
8477.40-8477.80	A change to subheading 8477.40 through 8477.80 from any other heading; or		
	A change to subheading 8477.40 through 8477.80 from subheading 8477.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:		
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>		
8477.90	A change to subheading 8477.90 from any other heading.		
8478.10	A change to subheading 8478.10 from any other heading; or		
	A change to subheading 8478.10 from subheading 8478.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:		
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>		
8478.90	A change to subheading 8478.90 from any other heading.		

8479.10-8479.82	A change to subheading 8479.10 through 8479.82 from any other subheading, including another subheading within that group.
8479.89 <sup>33</sup>	A change to trash compactors of subheading 8479.89 from any other good within that subheading or any other subheading; or
	A change to any other good of subheading 8479.89 from any other subheading.
8479.90	
8479.90.aa	A change to tariff item 8479.90.aa from any other tariff item.
8479.90.bb	A change to tariff item 8479.90.bb from any other tariff item.
8479.90.cc	A change to tariff item 8479.90.cc from any other tariff item.
8479.90.dd	A change to tariff item 8479.90.dd from any other tariff item.
8479.90	A change to subheading 8479.90 from any other heading.
84.80	A change to heading 84.80 from any other heading.
8481.10-8481.30 <sup>34</sup>	A change to subheading 8481.10 through 8481.30 from any other heading; or
	A change to subheading 8481.10 through 8481.30 from subheading 8481.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>
8481.40-8481.80 <sup>35</sup>	A change to subheading 8481.40 through 8481.80 from any other heading; or

<sup>33</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>34</sup> If the good provided for in subheading 8481.20 or 8481.30 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>35</sup> If the good provided for in subheading 8481.80 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

A change to subheading 8481.40 through 8481.80 from subheading 8481.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 45 percent where the transaction value method is used, or
- (b) 35 percent where the net cost method is used.

A change to subheading 8481.90 from any other heading.

A change to subheading 8482.10 through 8482.80 from any subheading outside that group, except from tariff item 8482.99.aa; or

A change to subheading 8482.10 through 8482.80 from tariff item 8482.99.aa, whether or not there is also a change from any subheading outside that group, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8482.91-8482.99<sup>37</sup> A change to subheading 8482.91 through 8482.99 from any other heading.

8483.10<sup>38</sup> A change to subheading 8483.10 from any other heading; or

A change to subheading 8483.10 from subheading 8483.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

<sup>&</sup>lt;sup>36</sup> If the good provided for in subheadings 8482.10, 8482,20, 8482,30, 8482.40, 8482.50 or 8482.80 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>37</sup> If the good provided for in subheading 8482.91 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>38</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

 $8483.20^{39}$ 

A change to subheading 8483.20 from any other subheading, except from subheading 8482.10 through 8482.80, tariff item 8482.99.aa, or subheading 8483.90; or

A change to subheading 8483.20 from subheading 8482.10 through 8482.80, tariff item 8482.99.aa or subheading 8483.90, whether or not there is also a change from any other subheading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

 $8483.30^{40}$ 

A change to subheading 8483.30 from any other heading; or

A change to subheading 8483.30 from subheading 8483.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8483.40 -8483.90<sup>41</sup>

A change to subheading 8483.40 through 8483.90 from any other subheading, including another subheading within that group.

84.84

A change to heading 84.84 from any other heading.

8486.10-8486.90

A change to a good of any of subheading 8486.10 through 8486.90 from any other good within that subheading or any other subheading, including another subheading within that group.

84.87

A change to heading 84.87 from any other heading.

# <u>Chapter 85 Electrical Machinery and Equipment and Parts Thereof; Sound Recorders and Reproducers, Television Image and Sound Recorders and Reproducers, and Parts and Accessories of Such Articles</u>

<sup>&</sup>lt;sup>39</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>40</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>41</sup> If the good provided for in subheadings 8483.40, 8483.50, 8483.60 or 8483.90 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

Note 1: For purposes of this Chapter, the term "printed circuit assembly" means a good consisting of one or more printed circuits of heading 85.34 with one or more active elements assembled thereon, with or without passive elements. For purposes of this Note, "active elements" means diodes, transistors and similar semiconductor devices, whether or not photosensitive, of heading 85.41 and integrated circuits of heading 85.42 and microassemblies of heading 85.43 or 85.48.

#### Note 2: For purposes of this Chapter:

- (a) references to "high definition" as it applies to television receivers and cathode-ray tubes refers to goods having
  - (i) an aspect ratio of the screen equal to or greater than 16:9, and
  - (ii) a viewing screen capable of displaying more than 700 scanning lines; and
- (b) the video display diagonal is determined by measuring the maximum straight line dimension across the visible portion of the face plate used for displaying video.

Note 3: Tariff item 8529.90.cc covers the following parts of television receivers, video monitors and video projectors:

- (a) Video intermediate (IF) amplifying and detecting systems;
- (b) Video processing and amplification systems;
- (c) Synchronizing and deflection circuitry;
- (d) Tuners and tuner control systems;
- (e) Audio detection and amplification systems.

Note 4: For purposes of tariff item 8540.91.aa, the term "front panel assembly" refers to:

- (a) with respect to a monochrome cathode-ray television picture tube, video monitor tube or video projector tube, an assembly which consists of either a glass panel or a glass envelope, which is suitable for incorporation into a monochrome cathode-ray television picture tube, video monitor tube or video projector tube and which has undergone the necessary chemical and physical processes for imprinting phosphors on the glass panel or glass envelope with sufficient precision to render a video image when excited by a stream of electrons; or.
- (b) with respect to a color cathode-ray television picture tube, video monitor tube or video projector tube, an assembly which consists of a glass panel and a shadow mask or aperture grille, attached for ultimate use, which is suitable for incorporation into a color cathode-ray television picture tube, video monitor tube or video projector tube and which has undergone the necessary chemical and physical processes for imprinting phosphors on the glass panel with sufficient precision to render a video image when excited by a stream of electrons.

Note 5: The origin of a television combination unit shall be determined in accordance with the rule that would be applicable to such unit if it were solely a television receiver.

A change to heading 85.01 from any other heading, except from tariff item 8503.00.aa; or

A change to heading 85.01 from tariff item 8503.00.aa, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to heading 85.02 from any other heading, except from heading 84.06, 84.11, 85.01 or 85.03; or

A change to heading 85.02 from heading 84.06, 84.11, 85.01 or 85.03, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to heading 85.03 from any other heading.

8504.10 A change to subheading 8504.10 from any other subheading.

#### 8504.21-8504.34

Beginning on January 1 2020 or the date of entry into force of the Agreement, whichever is later, until January 1 2025 or five years after entry into force of this Agreement, whichever is later

A change to subheading 8504.21 through 8504.34 from any other heading; or

A change to subheading 8504.21 through 8504.34 from subheading 8504.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

(a) 60 percent where the transaction value method is used, or

<sup>&</sup>lt;sup>42</sup> If the good provided for in subheading 8501.10, 8501.20, or 8501.31 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply. If the good provided for in subheadings 8501.32 or 8501.33 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

(b) 50 percent where the net cost method is used.

Beginning on January 1 2025 or five years after entry into force of this Agreement, whichever is later, and thereafter

8504.21-8504.34

A change to subheadings 8504.21 through 8504.34 from any other heading except from headings 72.25, 72.26, or 73.26; or

No required change in tariff classification to subheadings 8504.21 through 8504.34 provided there is a regional value content of not less than:

- (a) 65 percent where the transaction value method is used, or
- (b) 55 percent where the net cost method is used.

#### 8504.40

8504.40.aa	A change to tariff item 8504.40.aa from any other subheading, except from subheading 8471.49.
8504.40.bb	A change to tariff item 8504.40.bb from any other subheading.
8504.40	A change to subheading 8504.40 from any other subheading.
8504.50	A change to subheading 8504.50 from any other heading; or
	A change to subheading \$504.50 from subheading \$504.00 whether or r

A change to subheading 8504.50 from subheading 8504.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

#### 8504.90

Beginning on January 1 2020 or the date of entry into force of the Agreement, whichever is later, until January 1 2025 or five years after entry into force of this Agreement, whichever is later

#### 8504.90

8504.90.aa	A change to tariff item 8504.90.aa from any other tariff item.
8504.90.bb	A change to tariff item 8504.90.bb from any other tariff item.
8504.90	A change to subheading 8504.90 from any other heading; or

No required change in tariff classification to subheading 8504.90, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

Beginning on January 1 2025 or five years after entry into force of this Agreement, whichever is later, and thereafter

8504.90

A change to subheading 8504.90 from any other heading except from headings 72.25, 72.26, or 73.26; or

No required change in tariff classification provided there is a regional value content of not less than:

- (a) 65 percent where the transaction value method is used, or
- (b) 55 percent where the net cost method is used.

#### 8505.11-8505.20

8505.11-8505.20<sup>43</sup>

A change to subheading 8505.11 through 8505.20 from any other heading; or

A change to subheading 8505.11 through 8505.20 from subheading 8505.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

 $8505.90^{44}$ 

A change to subheading 8505.90 from any other heading; or

No required change in tariff classification to subheading 8505.90, provided there is a regional value content of not less than:

<sup>&</sup>lt;sup>43</sup> If the good provided for in subheading 8505.20 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>44</sup> If the good is for use in a vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 8506.10 through 8506.40 from any other subheading, including another subheading within that group.

A change to subheading 8506.50 through 8506.80 from any subheading outside that group.

A change to a good of subheading 8506.90 from within that subheading or any other subheading.

A change to subheading 8507.10 through 8507.80 from any other heading, except from tariff item 8548.10.aa, or

A change to subheading 8507.10 through 8507.80 from subheading 8507.90, whether or not there is also a change from any other heading, except from tariff item 8548.10.aa, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to a battery of a kind used as the primary source of electrical power for the propulsion of an electric passenger vehicle or light truck from any other subheading, excluding battery cells under 8507.90; or

No change in tariff classification required for a battery used as the primary source of electrical power for the propulsion of an electric passenger vehicle or light truck provided that the regional value content is

- (a) 85 percent where the transaction value method is used, or
- (b) 75 percent where the net cost method is used; or

A change to any other good of subheading 8507.60 from any other heading; or

8506.90

8507.10-8507.50<sup>45</sup>

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<sup>&</sup>lt;sup>45</sup> If the good provided for in subheading 8507.10, 8507.20, 8507.30, 8507.40, 8507.50, or 8507.80 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply. If the good provided for in subheading 8507.60 is for use in a motor vehicle of Chapter 87 as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>46</sup> If the good is for use in a passenger vehicle or light truck of Chapter 87 as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

A change to any other good of subheading 8507.60 from subheading 8507.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used

 $8507.90^{47}$ 

A change to subheading 8507.90 from any other heading, except from tariff item 8548.10.aa; or

No required change in tariff classification to subheading 8507.90, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8508.11

A change to subheading 8508.11 from any other subheading, except from heading 85.01, subheading 8508.19 or housings of subheading 8508.70; or

A change to subheading 8508.11 from heading 85.01, subheading 8508.19 or housings of subheading 8508.70, whether or not there is also a change from any other subheading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used; or
- (b) 50 percent where the net cost method is used.

8508.19

A change to domestic vacuum cleaners of subheading 8508.19 from any other subheading, except from heading 85.01, subheading 8508.11 or housings of subheading 8508.70; or

A change to domestic vacuum cleaners of subheading 8508.19 from heading 85.01, subheading 8508.11 or housings of subheading 8508.70, whether or not there is also a change from any other subheading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used; or
- (b) 50 percent where the net cost method is used;

<sup>&</sup>lt;sup>47</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

A change to any other good of subheading 8508.19 from any other heading, except from heading 84.79; or

A change to any other good of subheading 8508.19 from subheading 8508.70, whether or not there is also a change from any other heading, except from heading 84.79, provided there is a regional value content of not less than:

- 60 percent where the transaction value method is used; or (a)
- (b) 50 percent where the net cost method is used.

8508.60 A change to subheading 8508.60 from any other heading, except from heading 84.79; or

> A change to subheading 8508.60 from subheading 8508.70, whether or not there is also a change from any other heading, except from heading 84.79, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used; or
- 50 percent where the net cost method is used. (b)

A change to parts of domestic vacuum cleaners of subheading 8508.70 from any other heading, except from heading 85.09; or

> No required change in tariff classification to parts of domestic vacuum cleaners of subheading 8508.70, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used; or
- 50 percent where the net cost method is used; or (b)

A change to any other good of subheading 8508.70 from parts of domestic vacuum cleaners of subheading 8508.70 or any other heading, except from heading 84.79.

8509.40 A change to subheading 8509.40 from any other subheading.

> A change to a good of subheading 8509.80 from any other good within that subheading or any other subheading.

A change to subheading 8509.90 from any other heading; or

No required change in tariff classification to subheading 8509.90, provided there is a regional value content of not less than:

8508.70

8509.80

8509.90

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8510.10-8510.30

A change to subheading 8510.10 through 8510.30 from any other heading; or

A change to subheading 8510.10 through 8510.30 from subheading 8510.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8510.90

A change to subheading 8510.90 from any other heading.

8511.10-8511.80<sup>48</sup>

A change to subheading 8511.10 through 8511.80 from any other subheading, including another subheading within that group.

 $8511.90^{49}$ 

A change to subheading 8511.90 from any other heading; or

No required change in tariff classification to subheading 8511.90, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8512.10-8512.40<sup>50</sup>

A change to subheading 8512.10 through 8512.40 from any other heading; or

A change to subheading 8512.10 through 8512.40 from subheading 8512.90, whether or not there is also a change from any other heading, provided there is also a regional value content of not less than:

<sup>&</sup>lt;sup>48</sup> If the good provided for in subheading 8511.10, 8511.20, or 8511.30 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply. If the good provided for in subheadings 8511.40, 8511.50 or 8511.80 is for use in a motor vehicle of Chapter 87 as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>49</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>50</sup> If the good provided for in subheadings 8512.20, 8512.30, or 8512.40 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

(	(a)	60	nercent	where	the	transaction	value	method	is	used	or
١,	а	, 00	percent	WIICIC	uic	uansacuon	varuc	memou	10	uscu,	OI

(b) 50 percent where the net cost method is used.

A change to subheading 8512.90 from any other heading.

A change to subheading 8513.10 from any other heading; or

A change to subheading 8513.10 from subheading 8513.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 8513.90 from any other heading.

A change to subheading 8514.10 through 8514.30 from any other subheading, including another subheading within that group.

A change to subheading 8514.40 from any other heading; or

A change to subheading 8514.40 from subheading 8514.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 8514.90 from any other heading; or

No required change in tariff classification to subheading 8514.90, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8515.11-8515.80 A change to subheading 8515.11 through 8515.80 from any other heading; or

<sup>&</sup>lt;sup>51</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

A change to subheading 8515.11 through 8515.80 from subheading 8515.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

	-						
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>						
8515.90	A change to subheading 8515.90 from any other heading.						
8516.10-8516.80	A change to subheading 8516.10 through 8516.80 from any other subheading, including another subheading within that group.						
8516.90							
8516.90.cc	A change to tariff item 8516.90.cc from any other tariff item.						
8516.90.dd	A change to tariff item 8516.90.dd from any other tariff item.						
8516.90.ee	A change to tariff item 8516.90.ee from any other tariff item.						
8516.90.ff	A change to tariff item 8516.90.ff from any other tariff item.						
8516.90.gg	A change to tariff item 8516.90.gg from any other tariff item.						
8516.90	A change to subheading 8516.90 from any other heading; or						
	No required change in tariff classification to subheading 8516.90, provided there is a regional value content of not less than:						
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>						
8517.11	A change to subheading 8517.11 from any other subheading.						
8517.12-8517.61	A change to subheading 8517.12 through 8517.61 from any other subheading, including another subheading within that group.						
8517.62-8517.70	A change to a good of any of subheading 8517.62 through 8517.70 from any other good within that subheading or any other subheading, including another subheading within that group.						
8518.10-8518.30	A change to a good of any of subheading 8518.10 through 8518.30 from any other good within that subheading or any other subheading, including another subheading within that group.						

A change to subheading 8518.40 through 8518.50 from any other heading;

8518.40-8518.50<sup>52</sup>

0310.40 0310.30	or
	A change to subheading 8518.40 through 8518.50 from subheading 8518.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>
8518.90	A change to subheading 8518.90 from any other heading; or
	A change to subheading 8518.90 from any other subheading within heading 85.18, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
	<ul> <li>(a) 30 percent where the transaction value method is used, or</li> <li>(b) 25 percent where the net cost method is used.</li> </ul>
8519.20-8519.89 <sup>53</sup>	A change to a good of any of subheading 8519.20 through 8519.89 from any other good within that subheading or any other subheading, including another subheading within that group.
8521.10-8521.90	A change to subheading 8521.10 through 8521.90 from any other subheading, including another subheading within that group, except from tariff item 8522.90.aa.
85.22	A change to heading 85.22 from any other heading.
8523.21-8523.51	A change to a good of any of subheading 8523.21 through 8523.51 from any other good within that subheading or any other subheading, including another subheading within that group.
8523.52	Note: Notwithstanding Article 4.18 (Transit and Transshipment), "smart cards" of subheading 8523.52 qualifying under the rule below as an originating good may undergo further production outside the territory of the Parties and, when imported into the territory of a Party, will originate

<sup>&</sup>lt;sup>52</sup> If the good provided for in subheading 8518.40 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>53</sup> If the good provided for in subheading 8519.81 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

in the territory of a Party, provided that such further production did not result in a change to any other subheading.

No required change in tariff classification to "smart cards" which contain a single integrated circuit or parts of such "smart cards" of subheading 8523.52;

A change to other "smart cards" of subheading 8523.52 from any other good of subheading 8523.52, except from parts of other "smart cards" of subheading 8523.52, or any other heading; or

A change to other "smart cards" of subheading 8523.52 from parts of other "smart cards" of subheading 8523.52, whether or not there is also a change from any other good of subheading 8523.52 or any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to parts of other "smart cards" of subheading 8523.52 from any other heading; or

No required change in tariff classification to parts of other "smart cards" of subheading 8523.52, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8523.59-8523.80

A change to a good of any of subheading 8523.59 through 8523.80 from any other good within that subheading or any other subheading, including another subheading within that group.

8525.50-8525.60

A change to subheading 8525.50 through 8525.60 from any subheading outside that group, provided that, with respect to printed circuit assemblies (PCAs) of subheading 8529.90:

- (a) except as provided in subparagraph (b), for each multiple of nine PCAs, or any portion thereof, that is contained in the good, only one PCA may be a non-originating PCA; and
- (b) if the good contains less than three PCAs, all of the PCAs must be originating PCAs.

8525.	$80^{54}$
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A change to gyrostabilized television cameras of subheading 8525.80 from any other good of subheading 8525.80 or any other subheading, except from studio television cameras, other than shoulder-carried cameras and other portable cameras, of subheading 8525.80;

A change to other television cameras of subheading 8525.80 from any other good of subheading 8525.80 or any other subheading, except from gyrostabilized television cameras of subheading 8525.80; or

A change to any other good of subheading 8525.80 from television cameras of subheading 8525.80 or any other subheading.

8526.10-8526.9255

A change to subheading 8526.10 through 8526.92 from any other subheading, including another subheading within that group.

8527.12-8527.99<sup>56</sup>

A change to subheading 8527.12 through 8527.99 from any other subheading, including another subheading within that group, except from printed circuit assemblies (PCAs) of subheading 8529.90.

 $85.28^{57}$ 

A change to heading 85.28 from any other heading; or

No tariff change is required provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

 $8529.10^{58}$ 

A change to subheading 8529.10 from any other heading; or

<sup>&</sup>lt;sup>54</sup> If the good provided for in subheading 8525.80 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>55</sup> If the good provided for in subheadings 8526.91 or 8526.92 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>56</sup> If the good provided for in subheading 8527.21 or 8527.29 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>57</sup> If the good provided for in subheading 8528.59 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>58</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

No requi	red change	in tariff o	classification	to subhe	ading 8529.10,
provided	there is a 1	egional v	alue content	of not les	ss than:

(a)	60 percent	where th	e transaction	value m	ethod is 11	sed or
(a)	ou percent	. wnere in	e transaction	i vaiue m	ieinoa is u	sea, or

50 percent where the net cost method is used. (b)

 $8529.90^{59}$ A change of subheading 8529.90 from any other good within the same subheading; or

> No required change in tariff classification to subheading 8529.90, provided there is a regional value content of not less than:

- (a) 40 percent where the transaction value method is used, or
- 30 percent where the net cost method is used. (b)

8530.10-8530.80 A change to subheading 8530.10 through 8530.80 from any other heading; or

> A change to subheading 8530.10 through 8530.80 from subheading 8530.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- 60 percent where the transaction value method is used, or (a)
- 50 percent where the net cost method is used. (b)

8530.90 A change to subheading 8530.90 from any other heading; or

> No required change in tariff classification to subheading 8530.90, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- 50 percent where the net cost method is used. (b)

A change to subheading 8531.10 from any other subheading. 8531.10

A change to a good of subheading 8531.20 from any other good within 8531.20

that subheading or any other subheading.

 $8531.80^{60}$ A change to subheading 8531.80 from any other subheading.

<sup>&</sup>lt;sup>59</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>60</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

8531.90	A change to a good of subheading 8531.90 from any other good within that subheading or any other subheading.
8532.10-8532.90	A change to a good of any of subheading 8532.10 through 8532.90 from any other good within that subheading or any other subheading, including another subheading within that group.
8533.10-8533.39	A change to subheading 8533.10 through 8533.39 from any other subheading, including another subheading within that group.
8533.40	A change to subheading 8533.40 from any other subheading, except from tariff item 8533.90.aa.
8533.90	A change to a good of subheading 8533.90 from any other good within that subheading or any other subheading.
85.34	A change to heading 85.34 from any other heading.
85.35	
8535.90.aa	A change to tariff item 8535.90.aa from any other tariff item, except from tariff item 8538.90.aa; or
	A change to tariff item 8535.90.aa from tariff item 8538.90.aa, whether or not there is also a change from any other tariff item, provided there is a regional value content of not less than:
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>
85.35	A change to heading 85.35 from any other heading, except from tariff item 8538.90.bb or 8538.90.cc; or
	A change to heading 85.35 from tariff item 8538.90.bb or 8538.90.cc, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>
8536.10-8536.20	A change to subheading 8536.10 through 8536.20 from any other heading, except from tariff item 8538.90.bb or 8538.90.cc; or

A change to subheading 8536.10 through 8536.20 from tariff item 8538.90.bb or 8538.90.cc, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8536.30

8536.30.aa

A change to tariff item 8536.30.aa from any other tariff item, except from tariff item 8538.90.aa; or

A change to tariff item 8536.30.aa from tariff item 8538.90.aa, whether or not there is also a change from any other tariff item, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8536.30

A change to any other good of subheading 8536.30 from any other heading, except from tariff item 8538.90.bb or 8538.90.cc; or

A change to any other good of subheading 8536.30 from tariff item 8538.90.bb or 8538.90.cc, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8536.41-8536.49<sup>61</sup>

A change to subheading 8536.41 through 8536.49 from any other heading, except from tariff item 8538.90.bb or 8538.90.cc; or

A change to subheading 8536.41 through 8536.49 from tariff item 8538.90.bb or 8538.90.cc, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

<sup>&</sup>lt;sup>61</sup> If the good provided for in subheading 8536.41 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

 $8536.50^{62}$ 

8536.50.aa

A change to tariff item 8536.50.aa from any other tariff item, except from tariff item 8538.90.aa; or

A change to tariff item 8536.50.aa from tariff item 8538.90.aa, whether or not there is also a change from any other tariff item, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8536.50

A change to any other good of subheading 8536.50 from any other heading, except from tariff item 8538.90.bb or 8538.90.cc; or

A change to any other good of subheading 8536.50 from tariff item 8538.90.bb or 8538.90.cc, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8536.61-8536.69

A change to subheading 8536.61 through 8536.69 from any other heading, except from tariff item 8538.90.bb or 8538.90.cc; or

A change to subheading 8536.61 through 8536.69 from tariff item 8538.90.bb or 8538.90.cc, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8536.70

A change to plastic connectors of subheading 8536.70 from any other good of subheading 8536.70 or any other subheading, except from heading 39.26, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

<sup>&</sup>lt;sup>62</sup> If the good provided for in subheading 8536.50 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

A change to ceramic connectors of subheading 8536.70 from any other good of subheading 8536.70 or any other subheading, except from Chapter 69; or

A change to copper connectors of subheading 8536.70 from any other good of subheading 8536.70 or any other subheading, except from heading 74.19.

 $8536.90^{63}$ 

A change to subheading 8536.90 from any other heading, except from tariff item 8538.90.bb or 8538.90.cc; or

A change to subheading 8536.90 from tariff item 8538.90.bb or 8538.90.cc, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

 $85.37^{64}$ 

A change to heading 85.37 from any other heading, except from printed circuit assemblies of subheading 8538.90 or moulded parts of subheading 8538.90; or

A change to heading 85.37 from printed circuit assemblies of subheading 8538.90 or moulded parts of subheading 8538.90 or, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 50 percent where the transaction value method is used, or
- (b) 40 percent where the net cost method is used.

8538.10-8538.90

A change to subheadings 8538.10 through 8538.90 from any other heading; or

A change to subheadings 8538.10 through 8538.90 from any other subheading within that group, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

<sup>&</sup>lt;sup>63</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>64</sup> If the good provided for in subheading 8537.10 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>
$8539.10 - 8539.49^{65}$	A change to subheading 8539.10 through 8539.49 from any other subheading, except from any subheading within that group.
8539.90	A change to subheading 8539.90 from any other heading.
8540.11	
8540.11.aa	A change to tariff item 8540.11.aa from any other subheading, except from more than one of the following:
	- tariff item 7011.20.aa, - tariff item 8540.91.aa.
8540.11.bb	A change to tariff item 8540.11.bb from any other subheading, except from more than one of the following:
	- tariff item 7011.20.aa, - tariff item 8540.91.aa.
8540.11.cc	A change to tariff item 8540.11.cc from any other subheading, except from tariff item 8540.91.aa.
8540.11.dd	A change to tariff item 8540.11.dd from any other subheading, except from tariff item 8540.91.aa.
8540.11	A change to subheading 8540.11 from any other heading; or
	A change to subheading 8540.11 from subheading 8540.91, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>

8540.12

 $<sup>^{65}</sup>$  If the good provided for in subheading 8539.10 or 8539.21 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

Note: The following rule applies to a good of tariff item 8540.12.aa incorporating a glass panel referred to in subparagraph (b) of Note 5 of Chapter 85 and a glass cone provided for in tariff item 7011.20.aa:

A change to tariff item 8540.12.aa from any other subheading, except from more than one of the following:

a. tariff item 7011.20.aa, b. tariff item 8540.91.aa.

Note: The following rule applies to a good of tariff item 8540.12.aa incorporating a glass envelope referred to in subparagraph (b) of Note 5 of Chapter 85:

A change to tariff item 8540.12.aa from any other subheading, except from tariff item 8540.91.aa.

A change to tariff item 8540.12.bb from any other subheading, except from tariff item 8540.91.aa.

A change to subheading 8540.12 from any other heading; or

A change to subheading 8540.12 from subheading 8540.91, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 8540.20 from any other heading; or

A change to subheading 8540.20 from subheading 8540.91 through 8540.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 8540.40 through 8540.60 from any subheading outside that group.

A change to subheading 8540.71 through 8540.89 from any other subheading, including another subheading within that group.

8540.91			
8540.91.aa	A change to tariff item 8540.91.aa from any other tariff item.		
8540.91	A change to subheading 8540.91 from any other heading; or		
	No required change in tariff classification to subheading 8540.91, provided there is a regional value content of not less than:		
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>		
8540.99			
8540.99.aa	A change to tariff item 8540.99.aa from any other tariff item.		
8540.99	A change to subheading 8540.99 from any other heading; or		
	No required change in tariff classification to subheading 8540.99, provided there is a regional value content of not less than:		
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>		
8541.10-8542.90	Note: Notwithstanding Article 411 (Transshipment), a good provided for in subheading 8541.10 through 8541.60 or 8542.10 through 8542.39 qualifying under the rule below as an originating good may undergo further production outside the territory of the Parties and, when imported into the territory of a Party, will originate in the territory of a Party, provided that such further production did not result in a change to a subheading outside of that group.		
	No required change in tariff classification to subheading 8541.10 through 8542.90.		
8543.10	A change to subheading 8543.10 from any other subheading, except from subheading 8486.20.		
8543.20 -8543.30	A change to subheading 8543.20 through 8543.30 from any other subheading, including another subheading within that group.		

 $8543.70^{66}$ 

A change to subheading 8543.70 from any other subheading, except from "smart" cards, other than those containing a single integrated circuit, of subheading 8523.59.

8543.90

Note: Notwithstanding Article 4.18 (Transit and Transshipment), electronic microassemblies of subheading 8543.90 qualifying under the rule below as an originating good may undergo further production outside the territory of the Parties and, when imported into the territory of a Party, will originate in the territory of a Party, provided that such further production did not result in a change to any other subheading.

No required change in tariff classification to electronic microassemblies of subheading 8543.90;

A change to any other good of subheading 8543.90 from electronic microassemblies of subheading 8543.90 or any other heading; or

No required change in tariff classification to any other good of subheading 8543.90, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8544.11-8544.60<sup>67</sup>

A change to subheading 8544.11 through 8544.60 from any subheading outside that group, except from heading 74.08, 74.13, 76.05 or 76.14; or

A change to subheading 8544.11 through 8544.60 from any other subheading within that group or heading 74.08, 74.13, 76.05 or 76.14, whether or not there is also a change from any other subheading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8544.70

A change to subheading 8544.70 from any other subheading, except from heading 70.02 or 90.01; or

<sup>&</sup>lt;sup>66</sup> If the good provided for in subheading 8543.70 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>67</sup> If the good provided for in subheading 8544.30 or 8544.42 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

A change to subheading 8544.70 from heading 70.02 or 90.01, whether or not there is also a change from any other subheading, provided there is a regional value content of not less than:

(a) 60 percent where the transaction value method is used, or

(b) 50 percent where the net cost method is used.

8545.11–8545.90<sup>68</sup> A change to subheading 8545.11 through 8545.90 from any other

subheading, including another subheading within that group.

A change to heading 85.46 from any other heading.

8547.10–8547.90 A change to subheading 8547.10 through 8547.90 from any other

subheading, including another subheading within that group.

A change to subheading 8548.10 from any other chapter.

Note: Notwithstanding Article 4.18 (Transit and Transshipment),

electronic microassemblies of subheading 8548.90 qualifying under the rule below as an originating good may undergo further production outside the territory of the Parties and, when imported into the territory of a Party,

will originate in the territory of a Party, provided that such further production did not result in a change to any other subheading.

No required change in tariff classification to electronic microassemblies of

subheading 8548.90; or

A change to any other good of subheading 8548.90 from electronic microassemblies of subheading 8548.90 or any other heading.

Section XVII - Vehicles, Aircraft, Vessels and Associated Transport Equipment (Chapter 86-89)

<u>Chapter 86 Railway or Tramway Locomotives, Rolling-Stock and Parts Thereof; Railway or Tramway Track Fixtures and Fittings and Parts Thereof; Mechanical (Including Electro-Mechanical) Traffic Signalling Equipment of all Kinds</u>

A change to heading 86.01 through 86.02 from any other heading, including another heading within that group.

<sup>&</sup>lt;sup>68</sup> If the good provided for in subheading 8545.20 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

86.03-86.06

A change to heading 86.03 through 86.06 from any other heading, including another heading within that group, except from heading 86.07; or

A change to heading 86.03 through 86.06 from heading 86.07, whether or not there is also a change from any other heading, including another heading within that group, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

#### 8607

Beginning on January 1 2020 or the date of entry into force of the Agreement, whichever is later, until January 1 2023 or three years after entry into force of this Agreement, whichever is later:

8607.11-8607.12

A change to subheading 8607.11 through 8607.12 from any subheading outside that group.

8607.19

8607.19.aa A

A change to tariff item 8607.19.aa from any other heading; or

A change to tariff item 8607.19.aa from tariff item 8607.19.bb, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8607.19.cc A change to tariff item 8607.19.cc from any other heading; or

A change to tariff item 8607.19.cc from tariff item 8607.19.bb or 8607.19.dd, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 8607.19 from any other heading.

A change to subheading 8607.21 through 8607.99 from any other heading; or

No required change in tariff classification to subheading 8607.21 through 8607.99, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

Beginning on January 1 2023 or three years after entry into force of this Agreement, whichever is later, and thereafter:

8607.11-8607.12

A change to subheadings 8607.11 through 8607.12 from any other heading, except from headings 72.08 through 72.29 or headings 73.01 through 73.26; or

A change to subheading 8607.11 through 8607.12 from headings 72.08 through 72.29 or headings 73.01 through 73.26, provided that at least 70 percent by weight of the inputs of headings 72.08 through 72.29 and headings 73.01 through 73.26 is originating; or

No change in tariff classification is required provided that there is a regional value content of not less than:

- (a) 70 percent where the transaction value method is used, or
- (b) 60 percent where the net cost method is used.

8607.19

8607.19.aa A change to tariff item 8607.19.aa from any other heading; or

A change to tariff item 8607.19.aa from tariff item 8607.19.bb, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8607.19.cc A change to tariff item 8607.19.cc from any other heading; or

A change to tariff item 8607.19.cc from tariff item 8607.19.bb or 8607.19.dd, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- 50 percent where the net cost method is used. (b)

8607.19 A change to subheading 8607.19 from any other heading.

8607.21 A change to subheading 8607.21 from any other heading; or

> No required change in tariff classification to subheading 8607.21, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8607.29 A change to subheading 8607.29 from any other heading, except from headings 72.08 through 72.29 or headings 73.01 through 73.26; or

> A change to subheading 8607.29 from headings 72.08 through 72.29 or headings 73.01 through 73.26, provided that at least 70 percent by weight of the inputs of headings 72.08 through 72.29 and headings 73.01 through 73.26 is originating; or

No change in tariff classification is required provided that there is a regional value content of not less than:

- (a) 70 percent where the transaction value method is used, or
- 60 percent where the net cost method is used. (b)

8607.30 A change to subheading 8607.30 from any other heading; or

> No required change in tariff classification to any of subheading 8607.30, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8607.91

A change to subheading 8607.91 from any other heading, except from headings 72.08 through 72.29 or headings 73.01 through 73.26; or

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A change to subheading 8607.91 from headings 72.08 through 72.29 or headings 73.01 through 73.26, provided that at least 70 percent by weight of the inputs of headings 72.08 through 72.29 and headings 73.01 through 73.26 is originating; or

No change in tariff classification is required provided that there is a regional value content of not less than:

- (a) 70 percent where the transaction value method is used, or
- (b) 60 percent where the net cost method is used

A change to subheading 8607.99 from any other heading; or

No required change in tariff classification to any of subheading 8607.99, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

#### 86.08

A change to heading 86.08 from any other heading, including another heading within that group.

#### 86.09

86.09

Beginning on January 1 2020 or the date of entry into force of the Agreement, whichever is later, until January 1 2023 or three years after entry into force of this Agreement, whichever is later

A change to heading 86.09 from any other heading, including another heading within that group.

Beginning on January 1 2023 or three years after entry into force of this Agreement, whichever is later, and thereafter

A change to heading 86.09 from any other heading, except from headings 72.08 through 72.29 or headings 73.01 through 73.26; or

A change to heading 86.09 from headings 72.08 through 72.29 or headings 73.01 through 73.26, provided that at least 70% by weight of the inputs of headings 72.08 through 72.29 and headings 73.01 through 73.26 is originating; or

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No change in tariff classification is required provided that there is a regional value content of not less than:

- (a) 70 percent where the transaction value method is used, or
- (b) 60 percent where the net cost method is used

# <u>Chapter 87 Vehicles Other Than Railway or Tramway Rolling-Stock, and Parts and Accessories Thereof</u>

# The product-specific rules for a good of headings 8701-8708 are in Appendix 4-B: Provisions Related to the Product-Specific Rules of Origin for Automotive Goods

8709.11-8709.19 A change to subheading 8709.11 through 8709.19 from any other heading;

A change to subheading 8709.11 through 8709.19 from subheading 8709.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 8709.90 from any other heading.

A change to heading 87.10 from any other heading.

87.11-87.13 A change to heading 87.11 through 87.13 from any other heading, including another heading within that group, except from heading 87.14; or

A change to heading 87.11 through 87.13 from heading 87.14, whether or not there is also a change from any other heading, including another heading within that group, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

87.14-87.15 A change to heading 87.14 through 87.15 from any other heading, including another heading within that group.

8716.10-8716.80 A change to subheading 8716.10 through 8716.80 from any other heading; or

> A change to subheading 8716.10 through 8716.80 from subheading 8716.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- 60 percent where the transaction value method is used, or (a)
- 50 percent where the net cost method is used. (b)

 $8716.90^{69}$ A change to subheading 8716.90 from any other heading; or

> No required change in tariff classification to subheading 8716.90, provided there is a regional value content of not less than:

- 60 percent where the transaction value method is used, or (a)
- 50 percent where the net cost method is used. (b)

#### Chapter 88 Aircraft, Spacecraft, and Parts Thereof

88.01 A change to gliders or hang gliders of heading 88.01 from any other good

of heading 88.01 or any other heading; or

A change to any other good of heading 88.01 from gliders or hang gliders of heading 88.01 or any other heading.

8802.11-8803.90 A change to subheading 8802.11 through 8803.90 from any other

subheading, including another subheading within that group.

A change to heading 88.04 through 88.05 from any other heading, 88.04-88.05

including another heading within that group.

#### **Chapter 89 Ships, Boats and Floating Structures**

89.01-89.02 A change to heading 89.01 through 89.02 from any other chapter; or

> A change to heading 89.01 through 89.02 from any other heading within Chapter 89, including another heading within that group, whether or not there is also a change from any other chapter, provided there is a regional

value content of not less than:

<sup>&</sup>lt;sup>69</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

89.03 A change to heading 89.03 from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

89.04-89.05 A change to heading 89.04 through 89.05 from any other chapter; or

A change to heading 89.04 through 89.05 from any other heading within Chapter 89, including another heading within that group, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

89.06-89.08 A change to heading 89.06 through 89.08 from any other heading, including another heading within that group.

Section XVIII- Optical, Photographic, Cinematographic, Measuring, Checking, Precision, Medical or Surgical Instruments and Apparatus; Clocks and Watches; Musical Instruments; Parts and Accessories Thereof (Chapter 90-92)

# <u>Chapter 90 Optical, Photographic, Cinematographic, Measuring, Checking, Precision, Medical or Surgical Instruments and Apparatus; Parts and Accessories Thereof</u>

Note 1: For purposes of this Chapter, the term "printed circuit assembly" means a good consisting of one or more printed circuits of heading 85.34 with one or more active elements assembled thereon, with or without passive elements. For purposes of this Note, "active elements" means diodes, transistors and similar semiconductor devices, whether or not photosensitive, of heading 85.41 and integrated circuits of heading 85.42 and microassemblies of heading 85.43 or 85.48.

Note 2: The origin of the goods of Chapter 90 shall be determined without regard to the origin of any automatic data processing machines or units thereof of heading 84.71, or parts and accessories thereof of heading 84.73, which may be included therewith.

A change to subheading 9001.10 from any other chapter, except from preforms of heading 70.02; or

A change to subheading 9001.10 from any other good of heading 70.02 except pre-forms, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

(a) 60 percent where the transaction value method is used, or

(b) 50 percent where the net cost method is used.

9001.20-9001.90

A change to subheading 9001.20 through 9001.90 from any other heading.

90.02

A change to heading 90.02 from any other heading, except from heading 90.01.

9003.11-9003.19

A change to subheading 9003.11 through 9003.19 from any other subheading, including another subheading within that group, except from subheading 9003.90; or

A change to subheading 9003.11 through 9003.19 from subheading 9003.90, whether or not there is also a change from any other subheading, including another subheading within that group, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

9003.90 A change to subheading 9003.90 from any other heading.

9004.10 A change to subheading 9004.10 from any other subheading.

A change to subheading 9004.90 from any other chapter; or

A change to subheading 9004.90 from any other heading within Chapter 90, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

9005.10-9005.80

A change to subheading 9005.10 through 9005.80 from any subheading outside that group, except from heading 90.01 through 90.02 or tariff item 9005.90.aa.

9005.90

9005.90.aa A change to tariff item 9005.90.aa from any other heading, except from heading 90.01 through 90.02.

9005.90 A change to subheading 9005.90 from any other heading; or

> No required change in tariff classification to subheading 9005.90. provided there is a regional value content of not less than:

- 60 percent where the transaction value method is used, or (a)
- 50 percent where the net cost method is used. (b)

A change to subheading 9006.10 through 9006.69 from any other heading;

A change to subheading 9006.10 through 9006.69 from subheading 9006.91 or 9006.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- 50 percent where the net cost method is used. (b)

9006.91-9006.99 A change to subheading 9006.91 through 9006.99 from any other heading;

> A change to a good of any of subheadings 9006.91 through 9006.99 from within that subheading, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- 50 percent where the net cost method is used. (b)

9007.10 A change to gyrostabilized cameras of subheading 9007.10 from any other good within that subheading or any other subheading;

A change to any other good of subheading 9007.10 from any other heading;

A change to any other good of subheading 9007.10 from subheading 9007.91, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- 60 percent where the transaction value method is used, or (a)
- 50 percent where the net cost method is used. (b)

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9006.10-9006.69

A change to subheading 9007.20 from any other heading; or

A change to subheading 9007.20 from subheading 9007.92, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost is used.

A change to subheading 9007.91 from any other heading; or

No required change in tariff classification to subheading 9007.91, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 9007.92 from any other heading; or

No required change in tariff classification to subheading 9007.92, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

9008.50: A change to subheading 9008.50 from any other heading; or

A change to subheading 9008.50 from subheading 9008.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

9008.90 A change to subheading 9008.90 from any other heading; or

No required change in tariff classification to subheading 9008.90, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

9010.10-9010.60 A change to subheading 9010.10 through 9010.60 from any other heading; or

A change to subheading 9010.10 through 9010.60 from subheading 9010.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 9010.90 from any other heading; or

No required change in tariff classification to subheading 9010.90, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

9011.10-9011.80 A change to subheading 9011.10 through 9011.80 from any other heading; or

A change to subheading 9011.10 through 9011.80 from subheading 9011.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 9011.90 from any other heading.

A change to subheading 9012.10 from any other heading; or

A change to subheading 9012.10 from subheading 9012.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 9012.90 from any other heading.

9013.10-9013.20 A change to subheading 9013.10 through 9013.20 from any other heading; or

A change to subheading 9013.10 through 9013.20 from subheading 9013.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- 50 percent where the net cost method is used. (b)

9013.80 A change to Liquid Crystal Display Assemblies of subheading 9013.80 from any other subheading; or

> No required tariff change to Liquid Crystal Display Assemblies of subheading 9013.80 provided there is a regional value content of not less than:

- (a) 40 percent where the transaction value method is used, or
- (b) 30 percent where the net cost method is used.

A change to any other good of subheading 9013.80 from any other heading; or

No required tariff change to any other good of subheading 9013.80 provided there is a regional value content of not less than:

- 60 percent where the transaction value method is used, or (a)
- (b) 50 percent where the net cost method is used.

9013.90 A change to subheading 9013.90 from any other heading; or

> No required change in tariff classification to subheading 9013.90, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- 50 percent where the net cost method is used. (b)

9014.10-9014.80 A change to subheading 9014.10 through 9014.80 from any other heading;

> A change to subheading 9014.10 through 9014.80 from subheading 9014.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- 60 percent where the transaction value method is used, or (a)
- 50 percent where the net cost method is used. (b)

9014.90 A change to subheading 9014.90 from any other heading; or

No required change in tariff classification to subheading 9014.90, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

9015.10-9015.80 A change to subheading 9015.10 through 9015.80 from any other heading; or

A change to subheading 9015.10 through 9015.80 from subheading 9015.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

9015.90 A change to subheading 9015.90 from any other heading; or

No required change in tariff classification to subheading 9015.90, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to heading 90.16 from any other heading.

9017.10-9017.80 A change to subheading 9017.10 through 9017.80 from any other heading; or

A change to subheading 9017.10 through 9017.80 from subheading 9017.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 9017.90 from any other heading.

9018.11

9018.11.aa A change to tariff item 9018.11.aa from any other tariff item, except from tariff item 9018.11.bb.

9018.11	A change to subheading 9018.11 from any other heading.	
9018.12-9018.14	A change to subheading 9018.12 through 9018.14 from any other heading.	
9018.19		
9018.19.aa	A change to tariff item 9018.19.aa from any other tariff item, except from tariff item 9018.19.bb.	
9018.19	A change to subheading 9018.19 from any other heading.	
9018.20-9018.50	A change to subheading 9018.20 through 9018.50 from any other heading.	
9018.90		
9018.90.aa	A change to tariff item 9018.90.aa from any other tariff item, except from tariff item 9018.90.bb.	
9018.90	A change to subheading 9018.90 from any other heading.	
9019.10-9019.20	A change to subheading 9019.10 through 9019.20 from any other subheading, including another subheading within that group; or	
	No required change in tariff classification to any of subheading 9019.10 through 9019.20, provided there is a regional value content of not less than:	
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>	
90.20	A change to heading 90.20 from any other heading.	
9021.10-9021.90	A change to subheading 9021.10 through 9021.90 from any other subheading, including another subheading within that group; or	
	No required change in tariff classification to any of subheading 9021.10 through 9021.90, provided there is a regional value content of not less than:	
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>	
9022.12–9022.30	A change to subheading 9022.12 through 9022.30 from any other	

subheading, including another subheading within that group; or

No required change in tariff classification to any of subheading 9022.12 through 9022.30, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

9022.90

9022.90.aa A change to tariff item 9022.90.aa from any other tariff item.

9022.90 A change to subheading 9022.90 from any other heading; or

No required change in tariff classification to subheading 9022.90, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to heading 90.23 from any other heading.

9024.10-9024.80 A change to subheading 9024.10 through 9024.80 from any other heading; or

A change to subheading 9024.10 through 9024.80 from subheading 9024.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 9024.90 from any other heading; or

No required change in tariff classification to subheading 9024.90, provided there is a regional value content of not less than:

- (a) 60 per cent where the transaction value method is used, or
- (b) 50 per cent where the net cost method is used.

9025.11-9025.80<sup>70</sup> A change to subheading 9025.11 through 9025.80 from any other heading; or

A change to subheading 9025.11 through 9025.80 from subheading 9025.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 45 percent where the transaction value method is used, or
- (b) 35 percent where the net cost method is used.

A change to subheading 9025.90 from any other heading.

9026.10-9026.80<sup>71</sup> A change to subheading 9026.10 through 9026.80 from any other heading; or

A change to subheading 9026.10 through 9026.80 from subheading 9026.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

9026.90 A change to subheading 9026.90 from any other heading; or

No required change in tariff classification to subheading 9026.90, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

9027.10-9027.50<sup>72</sup> A change to subheading 9027.10 through 9027.50 from any other subheading, including another subheading within that group.

A change to a good of subheading 9027.80 from any other good within that subheading or any other subheading.

<sup>&</sup>lt;sup>70</sup> If the good provided for in subheading 9025.19 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>71</sup> If the good provided for in subheading 9026.10 or 9026.20 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>72</sup> If the good provided for in subheading 9027.10 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

9027.90 A change to subheading 9027.90 from any other heading; or

No required change in tariff classification to subheading 9027.90, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

9028.10-9028.30 A change to subheading 9028.10 through 9028.30 from any other heading;

A change to subheading 9028.10 through 9028.30 from subheading 9028.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 9028.90 from any other heading.

9029.10-9029.20<sup>73</sup> A change to subheading 9029.10 through 9029.20 from any other heading; or

A change to subheading 9029.10 through 9029.20 from subheading 9029.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

9029.90<sup>74</sup> A change to subheading 9029.90 from any other heading; or

No required change in tariff classification to subheading 9029.90, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

9030.10 A change to subheading 9030.10 from any other subheading.

<sup>73</sup> If the good provided for in subheading 9029.10 or 9029.20 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>74</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

9030.20	A change to cathode-ray oscilloscopes or cathode-ray oscillographs of subheading 9030.20 from any other good within that subheading or any other subheading; or		
	A change to any other good of subheading 9030.20 from any other subheading.		
9030.31	A change to subheading 9030.31 from any other subheading.		
9030.32	A change to subheading 9030.32 from any other heading; or		
	A change to subheading 9030.32 from subheading 9030.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:		
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>		
9030.33	A change to subheading 9030.33 from any other subheading, except from printed circuit assemblies (PCAs) of subheading 9030.90.		
9030.39	A change to subheading 9030.39 from any other subheading.		
9030.40-9030.82	A change to subheading 9030.40 through 9030.82 from any other heading; or		
	A change to subheading 9030.40 through 9030.82 from subheading 9030.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:		
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>		
9030.84-9030.89	A change to subheading 9030.84 through 9030.89 from any other subheading, including another subheading within that group.		
9030.90	A change to subheading 9030.90 from any other heading; or		
	No required change in tariff classification to subheading 9030.90, provided there is a regional value content of not less than:		
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>		

9031.10-9031.20 A change to subheading 9031.10 through 9031.20 from any other subheading, including another subheading within that group.

A change to subheading 9031.41 from any other heading; or

A change to subheading 9031.41 from subheading 9031.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

 $9031.49^{75}$ 

9031.49.aa A change to tariff item 9031.49.aa from any other tariff item.

A change to subheading 9031.49 from any other subheading.

9031.80<sup>76</sup> A change to subheading 9031.80 from any other heading; or

A change to subheading 9031.80 from subheading 9031.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to a good of 9031.90 from any other good within that subheading or any other subheading.

9032.10 A change to subheading 9032.10 from any other heading; or

A change to a good of subheading 9032.10 from within that subheading or subheading 9032.89 through 9032.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 45 percent where the transaction value method is used, or
- (b) 35 percent where the net cost method is used.

<sup>&</sup>lt;sup>75</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>76</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

9032.20-9032.81 A change to subheading 9032.20 through 9032.81 from any other subheading, including another subheading within that group.

9032.89<sup>77</sup> A change to subheading 9032.89 from any other heading; or

A change to subheading 9032.89 from subheading 9032.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 45 percent where the transaction value method is used, or
- (b) 35 percent where the net cost method is used.

9032.90<sup>78</sup> A change to subheading 9032.90 from any other heading; or

No required change in tariff classification to subheading 9032.90, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

90.33 A change to heading 90.33 from any other heading; or

No required change in tariff classification to heading 90.33, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

#### **Chapter 91 Clocks and Watches and Parts Thereof**

91.01-91.06<sup>79</sup> A change to heading 91.01 through 91.06 from any other chapter; or

A change to heading 91.01 through 91.06 from heading 91.14, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

<sup>&</sup>lt;sup>77</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>78</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>79</sup> If the good provided for in subheading 9104.00 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

60 percent where the transaction value method is used, or

(a)

50 percent where the net cost method is used. (b) 91.07 A change to heading 91.07 from any other chapter; or A change to heading 91.07 from heading 91.14, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than: (a) 45 percent where the transaction value method is used, or 35 percent where the net cost method is used. (b) 91.08-91.10 A change to heading 91.08 through 91.10 from any other heading, including another heading within that group, provided there is a regional value content of not less than: 60 percent where the transaction value method is used, or (a) 50 percent where the net cost method is used. (b) 9111.10-9111.80 A change to subheading 9111.10 through 9111.80 from subheading 9111.90 or any other heading, provided there is a regional value content of not less than: (a) 60 percent where the transaction value method is used, or 50 percent where the net cost method is used. (b) 9111.90 A change to subheading 9111.90 from any other heading, provided there is a regional value content of not less than: 60 percent where the transaction value method is used, or (a) (b) 50 percent where the net cost method is used. 9112.20 A change to subheading 9112.20 from subheading 9112.90 or any other heading, provided there is a regional value content of not less than: 60 percent where the transaction value method is used, or (a) 50 percent where the net cost method is used. (b) 9112.90 A change to subheading 9112.90 from any other heading, provided there is a regional value content of not less than: 60 percent where the transaction value method is used, or (a) 50 percent where the net cost method is used. (b)

- 91.13 A change to heading 91.13 from any other heading, provided there is a regional value content of not less than:
  - (a) 60 percent where the transaction value method is used, or
  - (b) 50 percent where the net cost method is used.
- 91.14 A change to heading 91.14 from any other heading.

#### **Chapter 92 Musical Instruments; Parts and Accessories of Such Articles**

92.01-92.08 A change to heading 92.01 through 92.08 from any other chapter; or

A change to heading 92.01 through 92.08 from heading 92.09, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

92.09 A change to heading 92.09 from any other heading.

## Section XIX - Arms and Ammunition; Parts and Accessories Thereof (Chapter 93)

#### Chapter 93 Arms and Ammunition; Parts and Accessories Thereof

93.01-93.04 A change to heading 93.01 through 93.04 from any other chapter; or

A change to heading 93.01 through 93.04 from heading 93.05, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

93.05 A change to heading 93.05 from any other heading.

93.06-93.07 A change to heading 93.06 through 93.07 from any other chapter.

#### **Section XX - Miscellaneous Manufactured Articles (Chapter 94-96)**

<u>Chapter 94 Furniture; Bedding, Mattresses, Mattress Supports, Cushions and Similar Stuffed Furnishings; Lamps and Lighting Fittings, Not Elsewhere Specified or Included; Illuminated Signs, Illuminated Name-Plates and the Like; Prefabricated Buildings</u>

9401.10-9401.8080	A change to subheading 9401.10 through 9401.80 from any other chapter; or
	A change to subheading 9401.10 through 9401.80 from subheading 9401.90, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>
9401.9081	A change to subheading 9401.90 from any other heading.
9402.10-9402.90	A change to subheading 9402.10 through 9402.90 from any other subheading, including another subheading within that group.
9403.10-9403.89	A change to subheading 9403.10 through 9403.89 from any other chapter; or
	A change to subheading 9403.10 through 9403.89 from subheading 9403.90, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
	<ul> <li>(a) 60 percent where the transaction value method is used, or</li> <li>(b) 50 percent where the net cost method is used.</li> </ul>
9403.90	A change to subheading 9403.90 from any other heading.
9404.10-9404.30	A change to subheading 9404.10 through 9404.30 from any other chapter.
9404.90	A change to subheading 9404.90 from any other chapter, except from heading 50.07, 51.11 through 51.13, 52.08 through 52.12, 53.09 through 53.11, 54.07 through 54.08 or 55.12 through 55.16.
9405.10 – 9405.40	A change to subheading 9405.10 through 9405.40 from any subheading outside that group.
9405.50	A change to subheading 9405.50 from any other chapter; or

<sup>&</sup>lt;sup>80</sup> If the good provided for in subheading 9401.20 is for use in a motor vehicle of Chapter 87, as defined in the Appendix to this Annex, then the provisions in the Appendix to this Annex shall apply.

<sup>&</sup>lt;sup>81</sup> If the good is for use in a vehicle of Chapter 87, then the provisions in the Appendix to this Annex shall apply.

A change to subheading 9405.50 from subheading 9405.91 through 9405.99, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

9405.60 A change to subheading 9405.60 from any other subheading.

9405.91-9405.99 A change to subheading 9405.91 through 9405.99 from any other heading.

94.06 A change to heading 94.06 from any other chapter.

#### Chapter 95 Toys, Games and Sports Requisites; Parts and Accessories Thereof

9503.00-9505.90 A change to subheading 9503.00 through 9505.90 from any other subheading, including another subheading within that group; or

No required change in tariff classification to any of subheading 9503.00 through 9505.90, provided there is a regional value content of not less than:

- (a) 45 percent where the transaction value method is used, or
- (b) 35 percent where the net cost method is used.

9506.11-9506.29 A change to subheading 9506.11 through 9506.29 from any other chapter.

9506.31 A change to subheading 9506.31 from any other chapter; or

A change to subheading 9506.31 from subheading 9506.39, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

9506.32-9506.39 A change to subheading 9506.32 through 9506.39 from any other chapter.

9506.40-9506.99 A change to subheading 9506.40 through 9506.99 from any other chapter.

95.07-95.08 A change to heading 95.07 through 95.08 from any other chapter.

#### **Chapter 96 Miscellaneous Manufactured Articles**

96.01-96.05 A change to heading 96.01 through 96.05 from any other chapter. A change to subheading 9606.10 from any other chapter. 9606.10 A change to subheading 9606.21 through 9606.29 from any other chapter; 9606.21-9606.29 A change to subheading 9606.21 through 9606.29 from subheading 9606.30, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than: (a) 60 percent where the transaction value method is used, or (b) 50 percent where the net cost method is used. 9606.30 A change to subheading 9606.30 from any other heading. 9607.11-9607.19 A change to subheading 9607.11 through 9607.19 from any other chapter; or A change to subheading 9607.11 through 9607.19 from subheading 9607.20, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than: (a) 60 percent where the transaction value method is used, or 50 percent where the net cost method is used. (b) 9607.20 A change to subheading 9607.20 from any other heading. 9608.10-9608.50 A change to subheading 9608.10 through 9608.50 from any other chapter; A change to subheading 9608.10 through 9608.50 from subheading 9608.60 through 9608.99, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than: 60 percent where the transaction value method is used, or (a) 50 percent where the net cost method is used. (b) A change to subheading 9608.60 through 9608.99 from any other heading. 9608.60-9608.99 96.09-96.12 A change to heading 96.09 through 96.12 from any other chapter. 9613.10-9613.80 A change to subheading 9613.10 through 9613.80 from any other chapter; or

A change to subheading 9613.10 through 9613.80 from subheading 9613.90, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- 45 percent where the transaction value method is used, or (a)
- (b) 35 percent where the net cost method is used.

9613.90 A change to subheading 9613.90 from any other heading.

96.14 A change to a good of heading 96.14 from any other good within that heading or any other heading.

9615.11-9615.19 A change to subheading 9615.11 through 9615.19 from any other chapter; or

> A change to subheading 9615.11 through 9615.19 from subheading 9615.90, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to subheading 9615.90 from any other heading.

96.16-96.18 A change to heading 96.16 through 96.18 from any other chapter.

> A good classified in 96.19 shall be considered originating, notwithstanding the origin of the following inputs, provided that the good otherwise meets the applicable product specific rule:

- -- rayon filament, other than lyocell or acetate, of heading 54.03 or 54.05.
- -- rayon fiber, other than lyocell or acetate, of heading 55.02, 55.04, or 55.07.

A change to sanitary towels or tampons of heading 96.19 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 through 55.

A change to a good of textile wadding of heading 96.19 from any other heading, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54 through 56 or Chapter 61 through 62;

9615.90

96.19

A change to any other good of textile material of heading 96.19 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.10 through 53.11, Chapter 54, heading 55.08 through 55.16, 60.01 through 60.06, or Chapter 61 through 62, provided the good is cut or knit to shape, or both, and sewn or otherwise assembled in the territory of one or more of the Parties.

A change to any other good of heading 96.19 from any other heading.

## Section XXI - Works of Art, Collectors' Pieces and Antiques

### Chapter 97 Works of Art, Collectors' Pieces and Antiques

97.01-97.06 A change to heading 97.01 through 97.06 from any other chapter.

## **REVISED TARIFF ITEMS (HS 2012)**

TARIFF ITEM	CANADA (HS 2012)	USA (HS 2012)	MEXICO (HS 2012)	DESCRIPTION
1806.10.aa	1806.10.10	1806.10.43 1806.10.45 1806.10.55 1806.10.65 1806.10.75	1806.10.01	Containing 90 percent or more by weight of sugar
1901.10.aa	1901.10.20	1901.10.05 1901.10.15 1901.10.30 1901.10.35 1901.10.40 1901.10.45	1901.10.01	Containing over 10 percent by weight of milk solids
1901.20.aa	1901.20.11 1901.20.12 1901.20.21 1901.20.22	1901.20.02 1901.20.05 1901.20.15 1901.20.20 1901.20.25 1901.20.30 1901.20.35 1901.20.40	1901.20.01 1901.20.02	Containing over 25 percent by weight of butterfat, not put up for retail sale

TARIFF ITEM	CANADA (HS 2012)	USA (HS 2012)	MEXICO (HS 2012)	DESCRIPTION
1901.90.aa	1901.90.31 1901.90.32 1901.90.33 1901.90.34 1901.90.39 1901.90.51 1901.90.52 1901.90.53 1901.90.54 1901.90.59	1901.90.32 1901.90.33 1901.90.34 1901.90.36 1901.90.38 1901.90.42 1901.90.43	1901.90.03 1901.90.04 1901.90.05	Dairy preparations containing over 10 percent by weight of milk solids
2101.11.aa	2101.11.10	2101.11.21	2101.11.01	Instant coffee, not flavoured
2103.20.aa	2103.20.10	2103.20.20	2103.20.01	Ketchup

2106.90.aa				
2106.90.bb	2106.90.91	2106.90.48	2106.90.06	Concentrated fruit or vegetable juices, fortified with minerals or vitamins:
		2106.90.52		Of any single fruit or vegetable
				Of mixtures of fruit or vegetable juices
2106.90.cc	2106.90.92	2106.90.54	2106.90.07	
				Containing over 10 percent by weight of milk solids
2106.90.dd	2106.90.31	2106.90.03	2106.90.08	
	2106.90.32	2106.90.06		
	2106.90.33	2106.90.09		
	2106.90.34	2106.90.22		
	2106.90.35	2106.90.24		
	2106.90.93	2106.90.26		
	2106.90.94	2106.90.28		
	2106.90.95	2106.90.62		
		2106.90.64		
		2106.90.66		
		2106.90.68		
		2106.90.72		
		2106.90.74		
		2106.90.76		
		2106.90.78		
		2106.90.80 2106.90.82		
		2100.90.82		Compound preparations, with an alcoholic strength exceeding 0.5 percent by volume, of a kind used in the manufacture of beverages
2106.90.ee	2106.90.96	2106.90.12	2106.90.10	the manufacture of beverages
		2106.90.15	2106.90.11	
		2106.90.18		

TARIFF ITEM	CANADA (HS 2012)	USA (HS 2012)	MEXICO (HS 2012)	DESCRIPTION
2106.90.ff		2106.90.42 2106.90.44 2106.90.46	2106.90.05	Syrups derived from cane or beet sugar, containing added coloring but not added flavoring matter
				Fruit or vegetable juices, fortified with minerals or vitamins:  Of any single fruit or vegetable
2202.90.aa	2202.90.31	2202.90.30 2202.90.35 2202.90.36	2202.90.02	
2202.90.bb	2202.90.32	2202.90.37	2202.90.03	Of mixtures of fruit or vegetable juices
2202.90.cc	2202.90.41 2202.90.42 2202.90.43 2202.90.49	2202.90.10 2202.90.22 2202.90.24 2202.90.28	2202.90.04	Beverages containing milk
2309.90.aa	2309.90.31 2309.90.32 2309.90.33 2309.90.35 2309.90.36	2309.90.22 2309.90.24 2309.90.28	2309.90.10 2309.90.11	Containing over 10 percent by weight of milk solids
2401.10.aa	2401.10.10	2401.10.21	2401.10.01	Wrapper tobacco

TARIFF ITEM	CANADA (HS 2012)	USA (HS 2012)	MEXICO (HS 2012)	DESCRIPTION
2401.20.aa	2401.20.10	2401.20.14	2401.20.02	Wrapper tobacco
2403.91.aa	2403.91.10	2403.91.20	2403.91.01	Of a kind used as wrapper tobacco
4016.99.aa	4016.99.30	4016.99.30 4016.99.55	4016.99.10	Vibration control goods of a kind used in the vehicles of heading 87.01 through 87.05
4105.10.aa	4105.10.21 4105.10.29	4105.10.10	4105.10.03	Wet blue
7011.20.aa	7011.20.10	7011.20.10	7011.20.02 7011.20.03	Cones
7304.41.aa	7304.41.11 7304.41.19	7304.41.30	7304.41.02	Of an external diameter of less than 19 mm
7321.11.aa	7321.11.10	7321.11.30	7321.11.0173 21.11.02	Stoves or ranges (other than portable)

TARIFF ITEM	CANADA (HS 2012)	USA (HS 2012)	MEXICO (HS 2012)	DESCRIPTION
				Parts:  Of stoves or ranges (other than portable):
7321.90.aa	7321.90.21	7321.90.10	7321.90.05	Cooking chambers, whether or not assembled
7321.90.bb	7321.90.22	7321.90.20	7321.90.06	Top surface panels with or without burners or control
7321.90.cc	7321.90.23	7321.90.40	7321.90.07	Door assemblies, incorporating more than one of the following: inner panel, outer panel, window, insulation
7404.00.aa	7404.00.10 7404.00.20 7404.00.91	7404.00.30	7404.00.02	Spent anodes; waste and scrap with a copper content of less than 94 percent by weight
7407.10.aa	7407.10.11 7407.10.12	7407.10.15	7407.10.02	Hollow profiles
7407.21.aa	7407.21.21 7407.21.22	7407.21.15	7407.21.02	Hollow profiles
7407.29.aa	ex. 7407.29.21 ex. 7407.29.29	7407.29.16	7407.29.02 7407.29.03	Hollow profiles
	7407.29.90			

TARIFF ITEM	CANADA (HS 2012)	USA (HS 2012)	MEXICO (HS 2012)	DESCRIPTION
7408.11.aa	7408.11.11 7408.11.12	7408.11.60	7408.11.01	With a maximum cross-sectional dimension not exceeding 9.5 mm
7506.10.aa	7506.10.10	7506.10.05	7506.10.01	Foil, not exceeding 0.15 mm in thickness
7506.20.aa	7506.20.10	7506.20.05	7506.20.01	Foil, not exceeding 0.15 mm in thickness
8406.90.aa	8406.90.22 8406.90.33 8406.90.34	8406.90.20 8406.90.50	8406.90.01	Rotors, finished for final assembly
8406.90.bb	8406.90.23 8406.90.36 8406.90.37	8406.90.40 8406.90.70	8406.90.02	Blades, rotating or stationary
8406.90.cc	8406.90.21 8406.90.31 8406.90.32	8406.90.30 8406.90.60	8406.90.03	Rotors, not further advanced than cleaned or machined for removal of fins, gates, sprues, and risers, or to permit location in finishing machinery
8414.90.aa	8414.90.10	8414.90.30	8414.90.04	Stators and rotors of goods of subheading 8414.30
8415.90.aa	8415.90.11 8415.90.21 8415.90.22	8415.90.40	8415.90.01	Chassis, chassis bases and outer cabinets

TARIFF ITEM	CANADA (HS 2012)	USA (HS 2012)	MEXICO (HS 2012)	DESCRIPTION
8418.99.aa	8418.99.10	8418.99.40	8418.99.04	Door assemblies incorporating more than one of the following: inner panel; outer panel; insulation; hinges; handles
8421.91.aa	8421.91.10	8421.91.20	8421.91.02	Drying chambers for the goods of subheading 8421.12 and other parts of clothes-dryers incorporating drying chambers
8421.91.bb	8421.91.20	8421.91.40	8421.91.03	Furniture designed to receive the goods of subheading 8421.12
8422.90.aa	8422.90.10	8422.90.02	8422.90.03	Water containment chambers for the goods of subheading 8422.11 and other parts of dishwashing machines of the household type incorporating water containment chambers
				Door assemblies for the goods of subheading 8422.11
8422.90.bb	8422.90.20	8422.90.04	8422.90.04	
8427.10.aa	8427.10.10	8427.10.40	8427.10.01 8427.10.02	Rider-type, counterbalanced fork-lift trucks
8450.90.aa	8450.90.10	8450.90.20	8450.90.01	Tubs and tub assemblies
8450.90.bb	8450.90.20	8450.90.40	8450.90.02	Furniture designed to receive the goods of subheading 8450.11 through 8450.20

TARIFF ITEM	CANADA (HS 2012)	USA (HS 2012)	MEXICO (HS 2012)	DESCRIPTION
8451.90.aa	8451.90.10	8451.90.30	8451.90.01	Drying chambers for the goods of subheading 8451.21 or 8451.29 and other parts of drying machines incorporating drying chambers
8451.90.bb	8451.90.20	8451.90.60	8451.90.02	Furniture designed to receive the goods of subheading 8451.21 or 8451.29
8455.90.aa	8455.90.10	8455.90.40	8455.90.01	Castings or weldments, individually weighing less than 90 tons, for the machines of heading 84.55
8459.70.aa	8459.70.10	8459.70.40	8459.70.02	Numerically controlled
8460.40.aa	8460.40.10	8460.40.40	8460.40.02	Numerically controlled
8460.90.aa	8460.90.10	8460.90.40	8460.90.01	Numerically controlled
8461.20.aa	8461.20.10	8461.20.40	8461.20.01	Numerically controlled
8461.30.aa	8461.30.10	8461.30.40	8461.30.01	Numerically controlled
8461.50.aa	8461.50.11 8461.50.19	8461.50.40	8461.50.01	Numerically controlled

TARIFF ITEM	CANADA (HS 2012)	USA (HS 2012)	MEXICO (HS 2012)	DESCRIPTION
8461.90.aa	8461.90.10	8461.90.30	8461.90.02	Numerically controlled
8462.99.aa	8462.99.11 8462.99.19	8462.99.40	8462.99.01	Numerically controlled
8466.93.aa	8466.93.10	8466.93.15 8466.93.30 8466.93.53	8466.93.04	Bed, base, table, head, tail, saddle, cradle, cross slide, column, arm, saw arm, wheelhead, tailstock, headstock, ram, frame, work-arbor support, and C-frame castings, weldments or fabrications
8466.94.aa	8466.94.10	8466.94.20 8466.94.65	8466.94.01	Bed, base, table, column, cradle, frame, bolster, crown, slide, rod, tailstock and headstock castings, weldments or fabrications
8471.80.aa	8471.80.10	8471.80.10	8471.80.03	Control or adapter units
8471.80.cc	8471.80.91	8471.80.40	8471.80.01	Other units suitable for physical incorporation into automatic data processing machines or units thereof
8473.10.aa	8473.10.00	8473.10.20 8473.10.40	8473.10.01	Parts for word processing machines of heading 84.69
8473.10.bb		8473.10.60	8473.10.99	Parts of other machines of heading 84.69

TARIFF ITEM	CANADA (HS 2012)	USA (HS 2012)	MEXICO (HS 2012)	DESCRIPTION
8473.30.aa	8473.30.20	8473.30.10	8473.30.02	Printed circuit assemblies
8473.30.bb	8473.30.30	8473.30.20	8473.30.03	Parts and accessories, including face plates and lock latches, of printed circuit assemblies
8473.50.aa	8473.50.10	8473.50.30	8473.50.01	Printed circuit assemblies
8473.50.bb	8473.50.20	8473.50.60	8473.50.02	Parts and accessories, including face plates and lock latches, of printed circuit assemblies
8477.90.aa	8477.90.10	8477.90.25	8477.90.01	Base, bed, platen, clamp cylinder, ram and injection castings, weldments, and fabrications
8477.90.bb	8477.90.20	8477.90.45	8477.90.02	Barrel screws
8477.90.cc	8477.90.30	8477.90.65	8477.90.03	Hydraulic assemblies incorporating more than one of the following: manifold, valves, pump, oil cooler

TARIFF ITEM	CANADA (HS 2012)	USA (HS 2012)	MEXICO (HS 2012)	DESCRIPTION
8479.90.aa	8479.90.11	8479.90.45	8479.90.17	Frame assemblies incorporating more than one of the following: baseplate, side frames, power screws, front plates
8479.90.bb	8479.90.12	8479.90.55	8479.90.15	Ram assemblies incorporating a ram wrapper and/or ram cover
8479.90.cc	8479.90.13	8479.90.65	8479.90.07	Container assemblies incorporating more than one of the following: container bottom, container wrapper, slide track, container front
				Cabinet or cases
8479.90.dd	8479.90.14	8479.90.75	8479.90.04	
8482.99.aa	8482.99.11 8482.99.19	8482.99.05 8482.99.15	8482.99.01 8482.99.02	Inner or outer rings or races
		8482.99.25	8482.99.03	
8503.00.aa	8503.00.10	8503.00.35	8503.00.01	Stators and rotors for the goods of heading 85.01.
		8503.00.45 8503.00.65	8503.00.03 8503.00.05	
8504.40.aa	8504.40.30	8504.40.60 8504.40.70	8504.40.10 8504.40.12	Power supplies for the automatic data processing machines of heading 84.71
			8504.40.14	
8504.40.bb	8504.40.40	8504.40.40	8504.40.13	Speed drive controllers for electric motors

TARIFF ITEM	CANADA (HS 2012)	USA (HS 2012)	MEXICO (HS 2012)	DESCRIPTION
8516.90.cc	8516.90.30	8516.90.35	8516.90.06	Assemblies for the goods of subheading 8516.50, incorporating more than one of the following: cooking chamber; structural supporting chassis; door; outer case
8516.90.dd	8516.90.40	8516.90.45	8516.90.07	Printed circuit assemblies for the goods of subheading 8516.50  For the goods of tariff item 8516.60.aa:  Cooking chambers whether or not assembled
8516.90.ee	8516.90.50	8516.90.55	8516.90.08	Top surface panels with or without heating elements or controls
8516.90.ff	8516.90.60	8516.90.65	8516.90.09	Door assemblies incorporating more than one of the following: inner panel; outer panel; window; insulation
8516.90.gg	8516.90.70	8516.90.75	8516.90.10	
8522.90.aa	8522.90.10	8522.90.25 8522.90.45 8522.90.65	8522.90.07	Printed circuit assemblies for the apparatus provided for in headings 85.19 and 85.21

TARIFF ITEM	CANADA (HS 2012)	USA (HS 2012)	MEXICO (HS 2012)	DESCRIPTION
8533.90.aa	8533.90.10	8533.90.40	8533.90.02	For the goods of subheading 8533.40, of ceramic or metallic materials, electrically or mechanically reactive to changes in temperature
8535.90.aa	8535.90.30	8535.90.40	8535.90.08 8535.90.20	Motor starters and motor overload protectors
8536.30.aa	8536.30.10 8536.30.20	8536.30.40	8536.30.05	Motor overload protectors
8536.50.aa	8536.50.11 8536.50.12 8536.50.19	8536.50.40	8536.50.13 8536.50.14	Motor starters
8537.10.aa	8537.10.11 8537.10.91	8537.10.30	8537.10.05	Assembled with outer housing or supports, for the goods of heading 84.21, 84.22, 84.50 or 85.16

TARIFF ITEM	CANADA (HS 2012)	USA (HS 2012)	MEXICO (HS 2012)	DESCRIPTION
8538.90.aa	8538.90.10	8538.90.40	8538.90.04	For the goods of tariff item 8535.90.aa, 8536.30.aa or 8536.50.aa, of ceramic or metallic materials, electrically or mechanically reactive to changes in temperature
				Printed circuit assemblies
8538.90.bb	8538.90.20	8538.90.10 8538.90.30	8538.90.05	Moulded parts
8538.90.cc	8538.90.31 8538.90.39	8538.90.60	8538.90.01	
8540.11.aa	8540.11.22	8540.11.10	8540.11.03 8540.11.05	Non-high definition, non-projection, having a video display diagonal exceeding 14 inches (35.56 cm)
8540.11.bb	8540.11.21	8540.11.24 8540.11.28	8540.11.04	Non-high definition, non-projection, having a video display diagonal not exceeding 14 inches (35.56 cm)
8540.11.cc	8540.11.12	8540.11.30	8540.11.01	High definition, having a video display diagonal exceeding 14 inches (35.56 cm)
6340.11.CC	0340.11.12	6340.11.30	8540.11.01 8540.11.05	High definition, having a video display diagonal not exceeding 14 inches (35.56 cm)
8540.11.dd	8540.11.11	8540.11.44 8540.11.48	8540.11.02	

TARIFF ITEM	CANADA (HS 2012)	USA (HS 2012)	MEXICO (HS 2012)	DESCRIPTION
8540.12.aa	8540.12.91 8540.12.99	8540.12.10 8540.12.50	8540.12.99	Non-high definition
8540.12.bb	8540.12.11 8540.12.19	8540.12.20 8540.12.70	8540.12.01	High definition
8540.91.aa	8540.91.10	8540.91.15	8540.91.01	Front panel assemblies
8540.99.aa	8540.99.10	8540.99.40	8540.99.03	Electron guns; radio frequency (RF) interaction structures for microwave tubes of subheading 8540.71 through 8540.79
8548.10.aa	8548.10.10	8548.10.05 8548.10.15	8548.10.01	Spent primary cells, spent primary batteries and spent electric accumulators
8607.19.aa	8607.19.11 8607.19.19	8607.19.03	8607.19.01 8607.19.99	Axles
8607.19.bb	8607.19.30	8607.19.06	8607.19.06	Parts of axles
8607.19.cc	8607.19.21 8607.19.29	8607.19.12	8607.19.02 8607.19.03	Wheels, whether or not fitted with axles
8607.19.dd	8607.19.30 8607.19.40	8607.19.15	8607.19.04 8607.19.05 8607.19.06	Parts of wheels

TARIFF ITEM	CANADA (HS 2012)	USA (HS 2012)	MEXICO (HS 2012)	DESCRIPTION
8702.10.aa	8702.10.10	8702.10.30	8702.10.03 8702.10.04	Designed for the transport of 16 or more persons, including the driver
8702.10.bb	8702.10.20	8702.10.60	8702.10.01 8702.10.02	Other
8706.00.aa	8706.00.20	8706.00.03 8706.00.15	8706.00.01 8706.00.02	Chassis of vehicles of heading 87.03 and subheadings 8704.21 and 8704.31
8706.00.bb	8706.00.10 8706.00.90	8706.00.05 8706.00.25 8706.00.30 8706.00.50	8706.00.99	Chassis for other vehicles
9005.90.aa	9005.90.11 9005.90.91	9005.90.40	9005.90.01	Incorporating goods of heading 90.01 or 90.02
9018.11.aa	9018.11.10	9018.11.30	9018.11.01	Electrocardiographs
9018.11.bb	9018.11.91	9018.11.60	9018.11.02	Printed circuit assemblies
9018.19.aa	9018.19.10	9018.19.55	9018.19.05	Patient monitoring systems
9018.19.bb	9018.19.20	9018.19.75	9018.19.10	Printed circuit assemblies for parameter acquisition modules

TARIFF ITEM	CANADA (HS 2012)	USA (HS 2012)	MEXICO (HS 2012)	DESCRIPTION
9018.90.aa	9018.90.10	9018.90.64	9018.90.18	Defibrillators
9018.90.bb	9018.90.20	9018.90.68	9018.90.24	Printed circuit assemblies for the goods of tariff item 9018.90.aa
9022.90.aa	9022.90.10	9022.90.05	9022.90.01	Radiation generator units
9031.49.aa	9031.49.10	9031.49.40	9031.49.01	Coordinate-measuring machines

#### **APPENDIX TO ANNEX 4-B:**

# PROVISIONS RELATED TO THE PRODUCT-SPECIFIC RULES OF ORIGIN FOR AUTOMOTIVE GOODS

### **Article 4-B.1: Definitions**

For purposes of this Appendix:

### **Advanced Technology Vehicle** means:

- (a) an electric vehicle, fuel cell vehicle, or other type of advanced propulsion vehicle (e.g., zero emission vehicle), or
- (b) an advanced autonomous vehicle of heading 8703 or 8704 classified as a Level 4 or Level 5 automated vehicle in accordance with SAE International SAEJ3016-2016 (Taxonomy and Definitions for Terms Related to Driving Automation Systems for On-Road Motor Vehicles);

### class of motor vehicles means one of the following categories of motor vehicles:

- (a) motor vehicles of subheading 8701.20, motor vehicles for the transport of 16 or more persons of subheading 8702.10 or 8702.90, or motor vehicles of subheading 8704.10, 8704.22, 8704.23, 8704.32 or 8704.90, or heading 87.05 or 87.06;
- (b) motor vehicles of subheading 8701.10 or 8701.30 through 8701.90
- (c) motor vehicles for the transport of 15 or fewer persons of subheading 8702.10 or 8702.90, or motor vehicles of subheading 8704.21 or 8704.31; or
- (d) motor vehicles of subheading 8703.21 through 8703.90;

**passenger vehicle** means a vehicle of subheading 8703.21 through 8703.90, except for a vehicle with a compression-ignition engine as the primary motor of propulsion, a three or four-wheeled motorcycle, a motorhome or entertainer coach<sup>82</sup>, or a vehicle that is solely or principally designed for off-road use<sup>83</sup>;

<sup>&</sup>lt;sup>82</sup> A motorhome or entertainer coach is defined as a recreational vehicle built on a self-propelled motor vehicle chassis that is solely or principally designed as temporary living quarters for recreational, camping, entertainment, or seasonal use. The Parties shall develop any additional description or other modification, if necessary.

<sup>&</sup>lt;sup>83</sup> A vehicle solely or principally designed for off-road use is defined as a vehicle that does not meet U.S. federal safety and emissions standards permitting unrestricted on-road use or the equivalent Mexican and Canadian on-road standards. The Parties shall develop any additional description or other modification, if necessary.

**light truck** means a vehicle of subheading 8704.21 or 8704.31, except for a vehicle that is solely or principally designed for off-road use;

**heavy truck** means a vehicle of subheading 8701.20, 8704.22, 8704.23, 8704.32, 8704.90, or 8706<sup>84</sup>, except for a vehicle that is solely or principally designed for off-road use;

marque means the trade name used by a separate marketing division of a motor vehicle assembler;

model line means a group of motor vehicles having the same platform or model name;

motor vehicle assembler means a producer of motor vehicles and any related persons or joint ventures in which the producer participates;

**new building** means a new construction, including at least the pouring or construction of new foundation and floor, the erection of a new structure and roof, and installation of new plumbing, electrical and other utilities to house a complete vehicle assembly process;

**refit** means a plant closure, for purposes of plant conversion or retooling, that lasts at least three months; and

**super-core** means the parts listed under the left column of Table A.1 of this Appendix, which are considered as a single part for the purposes of calculations in accordance with Article 4-B.5.2.

### **Article 4-B.2: Product-Specific Rules of Origin for Vehicles**

Each Party shall provide that the product-specific rules for a goods of headings 8701 through 8706 are:

8701.10	A change to a good of subheading 8701.10 from any other heading,
	provided there is a regional value content of not less than 60 percent under
	the net cost method.

A change to a heavy truck of subheading 8701.20 from any other heading, provided there is a regional value content of not less than 70 percent under the net cost method; or

A change to any other good of subheading 8701.20 from any other heading, provided there is a regional value content of not less than 60 percent under the net cost method.

4-B-1-2

Heading 8706 defined here as a chassis fitted with engines for a vehicle under subheading 8701.20, 8704.22, 8704.23, 8704.32, 8704.90, except for a vehicle that is solely or principally designed for off-road use.

8701.30 – 8701.90:

A change to a good of subheading 8701.30 through 8701.90 from any other heading, provided there is a regional value content of not less than 60 percent under the net cost method.

8702.10

A change to a motor vehicle for the transport of 15 or fewer persons of subheading 8702.10 from any other heading, provided there is a regional value content of not less than 62.5 percent under the net cost method;

A change to a motor vehicle for the transport of 16 or more persons of subheading 8702.10 from any other heading, provided there is a regional value content of not less than 60 percent under the net cost method; or

A change to any other good of subheading 8702.10 from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method.

8702.90

A change to a motor vehicle for the transport of 15 or fewer persons of subheading 8702.90 from any other heading, provided there is a regional value content of not less than 62.5 percent under the net cost method;

A change to a motor vehicle for the transport of 16 or more persons of subheading 8702.90 from any other heading, provided there is a regional value content of not less than 60 percent under the net cost method; or

A change to any other good of subheading 8702.90 from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method.

8703.10

A change to subheading 8703.10 from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8703.21-8703.90

A change to a motor vehicle with a compression-ignition engine, a three or four-wheeled motorcycle, a motorhome or motorhome entertainer, or a vehicle solely or principally for off-road use of subheading 8703.21 through 8703.90 from any other heading, provided there is a regional value content of not less than 62.5 percent under the net cost method; or

A change to any other good of subheading 8703.21 through 8703.90 from any other heading, provided there is a regional value content of not less than 75 percent under the net cost method.

8704.10 A change to a good of subheading 8704.10 from any other heading, provided there is a regional value content of not less than 60 percent under the net cost method. 8704.21 A change to a motor vehicle solely or principally for off-road use of subheading 8704.21 from any other heading, provided there is a regional value content of not less than 62.5 percent under the net cost method; or A change to any other good of subheading 8704.21 from any other heading. provided there is a regional value content of not less than 75 percent under the net cost method. 8704.22 - 8704.23 A change to a vehicle that is solely or principally for off-road use of subheading 8704.22 through 8704.23 from any other heading, provided there is a regional value content of not less than 60 percent under the net cost method; or A change to any other good of subheading 8704.22 through 8704.23 from any other heading, provided there is a regional value content of not less than 70 percent under the net cost method. 8704.31 A change to a motor vehicle solely or principally for off-road use of subheading 8704.31 from any other heading, provided there is a regional value content of not less than 62.5 percent under the net cost method; or A change to any other good of subheading 8704.31 from any other heading, provided there is a regional value content of not less than 75 percent under the net cost method. 8704.32 - 8704.90 A change to a vehicle that is solely or principally for off-road use of subheading 8704.32 through 8704.90 from any other heading, provided there is a regional value content of not less than 60 percent under the net cost method; or A change to any other good of subheading 8704.32 through 8704.90 from any other heading, provided there is a regional value content of not less than 70 percent under the net cost method. 87.05 A change to heading 87.05 from any other heading, provided there is a regional value content of not less than 60 percent under the net cost method. 87.06 A change to a good of heading 87.06 for a passenger vehicle or light truck, provided there is a regional value content of not less than 75 percent under

the net cost method; or

A change to a good of heading 87.06 for a heavy truck, provided there is a regional value content of not less than 70 percent under the net cost method; or

A change to any other good of heading 87.06, provided there is a regional value content of not less than 60 percent under the net cost method;

87.07<sup>85</sup> A change to heading 87.07 from any other chapter; or

A change to heading 87.07 from heading 87.08, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than 50 percent under the net cost method.

A change to subheading 8708.10 from any other heading; or

A change to subheading 8708.10 from subheading 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method.

8708.21<sup>87</sup> A change to subheading 8708.21 from any other heading; or

A change to subheading 8708.21 from subheading 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method.

A change to subheading 8708.29 from any other heading; or

No required change in tariff classification to subheading 8708.29, provided there is a regional value content of not less than 50 percent under the net cost method.

A change to mounted brake linings of subheading 8708.30 from any other

heading; or

<sup>&</sup>lt;sup>85</sup> If the good is for use in a passenger vehicle or light truck, Articles 4-B.3.2 and 4-B.3.3 shall apply. If the good is for use in a heavy truck, Article 4-B.4.2 shall apply.

<sup>&</sup>lt;sup>86</sup> If the good is for use in a passenger vehicle or light truck, Article 4-B.3.4 shall apply. If the good is for use in a heavy truck, Article 4-B.4.2 shall apply.

<sup>&</sup>lt;sup>87</sup> If the good is for use in a passenger vehicle or light truck, Article 4-B.3.4 shall apply. If the good is for use in a heavy truck, Article 4-B.4.2 shall apply.

<sup>&</sup>lt;sup>88</sup> If the good is for use in a passenger vehicle or light truck, Article 4-B.3.4 shall apply. If the good is for use in a heavy truck, Article 4-B.4.2 shall apply.

<sup>&</sup>lt;sup>89</sup> If the good is for use in a passenger vehicle or light truck, Article 4-B.3.4 shall apply. If the good is for use in a heavy truck, Article 4-B.4.2 shall apply.

A change to mounted brake linings of subheading 8708.30 from parts of mounted brake linings, brakes or servo-brakes of subheading 8708.30 or 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method:

A change to any other good of subheading 8708.30 from any other heading; or

A change to any other good of subheading 8708.30 from mounted brake linings or parts of brakes or servo-brakes of subheading 8708.30, or 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method.

 $8708.40^{90}$ 

A change to gear boxes of subheading 8708.40 from any other heading; or

A change to gear boxes of subheading 8708.40 from any other good of subheading 8708.40 or 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method;

A change to any other good of subheading 8708.40 from any other heading; or

No required change in tariff classification to any other good of subheading 8708.40, provided there is a regional value content of not less than 50 percent under the net cost method.

 $8708.50^{91}$ 

A change to drive-axles with differential, whether or not provided with other transmission components, for vehicles of heading 87.03, of subheading 8708.50 from any other heading, except from subheading 8482.10 through 8482.80; or

A change to drive-axles with differential, whether or not provided with other transmission components, for vehicles of heading 87.03, of subheading 8708.50 from subheading 8482.10 through 8482.80 or parts of drive-axles of subheading 8708.50, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method;

<sup>&</sup>lt;sup>90</sup> If the good is for use in a passenger vehicle or light truck, Articles 4-B.3.2 and 4-B.3.3 shall apply. If the good is for use in a heavy truck, Articles 4-B.4.2 and 4-B.4.4 shall apply.

<sup>&</sup>lt;sup>91</sup> If the good is for use in a passenger vehicle or light truck, Articles 4-B.3.2 and 4-B.3.3 shall apply. If the good is for use in a heavy truck, Article 4-B.4.2 shall apply.

A change to other drive-axles with differential, whether or not provided with other transmission components, of subheading 8708.50 from any other heading; or

A change to other drive-axles with differential, whether or not provided with other transmission components, of subheading 8708.50 from subheading 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method;

A change to non-driving axles and parts thereof, for vehicles of heading 87.03, of subheading 8708.50 from any other heading, except from subheading 8482.10 through 8482.80; or

A change to non-driving axles and parts thereof, for vehicles of heading 87.03, of subheading 8708.50 from subheading 8482.10 through 8482.80 or 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method;

A change to other non-driving axles and parts thereof of subheading 8708.50 from any other heading; or

A change to other non-driving axles and parts thereof of subheading 8708.50 from subheading 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method;

A change to any other good of subheading 8708.50 from any other heading; or

No required change in tariff classification to any other good of subheading 8708.50, provided there is a regional value content of not less than 50 percent under the net cost method.

8708.70<sup>92</sup> A change to subheading 8708.70 from any other heading; or

A change to subheading 8708.70 from subheading 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method.

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<sup>&</sup>lt;sup>92</sup> If the good is for use in a passenger vehicle or light truck, Article 4-B.3.4 shall apply. If the good is for use in a heavy truck, Article 4-B.4.2 shall apply.

 $8708.80^{93}$ 

A change to McPherson struts of subheading 8708.80 from parts thereof of subheading 8708.80 or any other subheading, provided there is a regional value content of not less than 50 percent under the net cost method;

A change to any other good subheading 8708.80 from any other heading;

A change to suspension systems (including shock absorbers) of subheading 8708.80 from parts thereof of subheading 8708.80 or 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method; or

No required change in tariff classification to parts of suspension systems (including shock absorbers) of subheading 8708.80, provided there is a regional value content of not less than 50 percent under the net cost method.

8708.9194

A change to radiators of subheading 8708.91 from any other heading;

A change to radiators of subheading 8708.91 from any other good of subheading 8708.91, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method; or

No required change in tariff classification to any other good of subheading 8708.91, provided there is a regional value content of not less than 50 percent under the net cost method.

 $8708.92^{95}$ 

A change to silencers (mufflers) or exhaust pipes of subheading 8708.92 from any other heading; or

A change to silencers (mufflers) or exhaust pipes of subheading 8708.92 from any other good of subheading 8708.92, whether or not there is also a change from any other heading, provided there is regional value content of not less than 50 percent under the net cost method; or

<sup>&</sup>lt;sup>93</sup> If the good is for use in a passenger vehicle or light truck, Articles 4-B.3.2 and 4-B.3.3 shall apply. If the good is for use in a heavy truck, Article 4-B.4.2 shall apply.

<sup>&</sup>lt;sup>94</sup> If the good is for use in a passenger vehicle or light truck, Article 4-B.3.4 shall apply. If the good is for use in a heavy truck, Article 4-B.4.2 shall apply.

<sup>&</sup>lt;sup>95</sup> If the good is for use in a passenger vehicle or light truck, Article 4-B.3.4 shall apply. If the good is for use in a heavy truck, Article 4-B.4.2 shall apply.

No required change in tariff classification to any other good of subheading 8708.92, provided there is a regional value content of not less than 50 percent under the net cost method

 $8708.93^{96}$ 

A change to subheading 8708.93 from any other heading; or

A change to subheading 8708.93 from subheading 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method.

 $8708.94^{97}$ 

A change to subheading 8708.94 from any other heading;

A change to steering wheels, steering columns or steering boxes of subheading 8708.94 from parts thereof of subheading 8708.94 or 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method;

No required change in tariff classification to parts of steering wheels, steering columns or steering boxes of subheading 8708.94, provided there is a regional value content of not less than 50 percent under the net cost method.

 $8708.95^{98}$ 

A change to subheading 8708.95 from any other heading; or

No required change in tariff classification to subheading 8708.95, provided there is a regional value content of not less than 50 percent under the net cost method.

8708.9999

8708.99.aa

A change to tariff item 8708.99.aa from any other subheading, provided there is a regional value content of not less than 50 per cent under the net cost method.

<sup>&</sup>lt;sup>96</sup> If the good is for use in a passenger vehicle or light truck, Article 4-B.3.4 shall apply. If the good is for use in a heavy truck, Article 4-B.4.2 shall apply.

<sup>&</sup>lt;sup>97</sup> If the good is for use in a passenger vehicle or light truck, Articles 4-B.3.2 and 4-B.3.3 shall apply. If the good is for use in a heavy truck, Article 4-B.4.2 shall apply.

<sup>&</sup>lt;sup>98</sup> If the good is for use in a passenger vehicle or light truck, Article 4-B.3.4 shall apply. If the good is for use in a heavy truck, Article 4-B.4.2 shall apply.

<sup>&</sup>lt;sup>99</sup> If the good is for use in a passenger vehicle or light truck, Article 4-B.3.4 shall apply. If the good is for use in a heavy truck, Articles 4-B.4.2 shall apply. If the good is a chassis for use in a heavy truck, Articles 4-B.4.2 and 4-B.4.4 shall apply.

8708.99.bb A change to tariff item 8708.99.bb from any other heading, except from

subheading 8482.10 through 8482.80 or tariff item 8482.99.aa; or

A change to tariff item 8708.99.bb from subheadings 8482.10 through 8482.80 or tariff item 8482.99.aa, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 per cent under the net cost method.

A change to subheading 8708.99 from any other heading; or

No required change in tariff classification to subheading 8708.99, provided there is a regional value content of not less than 50 percent under the net cost method.

# Article 4-B.3: Regional Value Content for Passenger Vehicles, Light Trucks, and Parts Thereof

- 1. Notwithstanding Article 4-B.2, each Party shall provide that the regional value-content requirement for a passenger vehicle or a light truck is:
  - (a) 66 percent under the net cost method, beginning on January 1, 2020, or the date of entry into force of the Agreement, whichever is later;
  - (b) 69 percent under the net cost method, beginning on January 1, 2021, or one year after the date of entry into force of the Agreement, whichever is later;
  - (c) 72 percent under the net cost method, beginning on January 1, 2022, or two years after the date of entry into force of the Agreement, whichever is later; and
  - (d) 75 percent under the net cost method, beginning on January 1, 2023, or three years after the date of entry into force of the Agreement, whichever is later, and thereafter.
- 2. Notwithstanding Article 4-B.2 and the Product-Specific Rules of Origin in Annex 4-B, each Party shall provide that the regional value-content requirement for a part listed in Table A.1 of this Appendix that is for use in a passenger vehicle or light truck is:
  - (a) 66 percent under the net cost method or 76 percent under the transaction value method, if the corresponding rule includes a transaction value method, beginning on January 1 2020, or the date of entry into force of the Agreement, whichever is later:
  - (b) 69 percent under the net cost method or 79 percent under the transaction value method, if the corresponding rule includes a transaction value method, beginning

on January 1 2021, or one year after the date of entry into force of the Agreement, whichever is later;

- (c) 72 percent under the net cost method or 82 percent under the transaction value method, if the corresponding rule includes a transaction value method, beginning on January 1 2022, or two years after the date of entry into force of the Agreement, whichever is later; or
- (d) 75 percent under the net cost method or 85 percent under the transaction value method, if the corresponding rule includes a transaction value method, beginning on January 1 2023, or three years after the date of entry into force of the Agreement, whichever is later, and thereafter.
- 3. Notwithstanding Article 4-B.2 and the Product-Specific Rules of Origin in Annex 4-B, each Party shall provide that a part listed in Table A.1 of this Appendix that is for use in a passenger vehicle or light truck is originating only if it satisfies the regional value content requirement in paragraph 2, except for batteries of subheading 8507.60 that are used as the primary source of electrical power for the propulsion of an electric passenger vehicle or light truck.
- 4. Notwithstanding Article 4-B.2 and the Product-Specific Rules of Origin in Annex 4-B, each Party shall provide that the regional value-content requirement for a part listed in Table B of this Appendix that is for use in a passenger vehicle or light truck is:
  - (a) 62.5 percent under the net cost method or 72.5 percent under the transaction value method, if the corresponding rule includes a transaction value method, beginning on January 1, 2020 or the date of entry into force of the Agreement, whichever is later;
  - (b) 65 percent under the net cost method or 75 percent under the transaction value method, if the corresponding rule includes a transaction value method, beginning on January 1, 2021 or one year after the date of entry into force of the Agreement, whichever is later;
  - (c) 67.5 percent under the net cost method or 77.5 percent under the transaction value method, if the corresponding rule includes a transaction value method, beginning on January 1, 2022 or two years after the date of entry into force of the Agreement, whichever is later; or
  - (d) 70 percent under the net cost method or 80 percent under the transaction value method, if the corresponding rule includes a transaction value method, beginning on January 1, 2023 or three years after the date of entry into force of the Agreement, whichever is later, and thereafter.
- 5. Notwithstanding the Product-Specific Rules of Origin in Annex 4-B, each Party shall provide that the regional value-content requirement for a part listed in Table C of this Appendix that is for use in a passenger vehicle or light truck is:

- (a) 62 percent under the net cost method or 72 percent under the transaction value method, if the corresponding rule includes a transaction value method, beginning on January 1, 2020 or the date of entry into force of the Agreement, whichever is later;
- (b) 63 percent under the net cost method or 73 percent under the transaction value method, if the corresponding rule includes a transaction value method, beginning on January 1, 2021 or one year after the date of entry into force of the Agreement, whichever is later;
- (c) 64 percent under the net cost method or 74 percent under the transaction value method, if the corresponding rule includes a transaction value method, beginning on January 1, 2022 or two years after the date of entry into force of the Agreement, whichever is later; or
- (d) 65 percent under the net cost method or 75 percent under the transaction value method, if the corresponding rule includes a transaction value method, beginning on January 1, 2023 or three years after the date of entry into force of the Agreement, whichever is later, and thereafter.
- 6. For the purposes of calculating the regional value content under paragraphs 1 through 4 of this Article, Articles 4.5 through 4.8 apply.
- 7. Each Party shall provide that a passenger vehicle or light truck is originating only if the parts under Column 1 of Table A.2 of this Appendix used in the production of a passenger vehicle or light truck are originating. The Parties shall endeavor to provide, as appropriate, any additional description or other clarification to the list of the parts and components under Table A.2 of this Appendix, such as by tariff provision or product description, to facilitate implementation of this requirement.
- 8. Each Party shall provide that for the purposes of calculating the regional value content under Article 5 of Chapter 4 for a part under Column 1 of Table A.2 of this Appendix, the value of non-originating materials (VNM) is, at the vehicle producer's option,:
  - (a) the value of all non-originating materials used in the production of the part; or
  - (b) the value of any non-originating components used in the production of the part that are listed under Column 2 of Table A.2 of this Appendix.
- 9. Further to paragraph 8 of this Article, each Party shall provide that the regional value content may also be calculated, at the producer's option, for all parts under Column 1 of Table A.2 of this Appendix as a single part, using the sum of the net cost of each part listed under Column 1 of Table A.2 of this Appendix, and when calculating the VNM, at the producer's option:

- (a) the sum of value of all non-originating materials used in the production of each part; or
- (b) the value of only those non-originating components under Column 2 of Table A.2 of this Appendix, used in the production of each part.

If this regional value content meets the required threshold under paragraph 2 of this Appendix, then each Party shall provide that all parts under Table A.2 of this Appendix are originating and the passenger vehicle or light truck will be considered to have met the requirement under paragraph 7.

10. The Parties are encouraged to develop any additional description or other modification to the list of the parts and components of the parts and components in Table A.2 of this Appendix for a passenger vehicle or light truck that is an Advanced Technology Vehicle. Upon request of one of the Parties, the Parties shall discuss and agree on any appropriate modifications to Table A.2 of this Appendix for such a vehicle to ensure that the requirements in paragraph 7 remain relevant in light of technological changes and to facilitate the use of originating core parts.

### Article 4-B.4: Regional Value Content for Heavy Trucks and Parts Thereof

- 1. Notwithstanding Article 4-B.2, each Party shall provide that the regional value-content requirement for a heavy truck is:
  - (a) 60 percent under the net cost method, beginning on January 1, 2020, or the date of entry into force of the Agreement, whichever is later;
  - (b) 64 percent under the net cost method, beginning on January 1, 2024, or four years after the date of entry into force of the Agreement, whichever is later; or
  - (c) 70 percent under the net cost method, beginning on January 1, 2027, or seven years after the date of entry into force of the Agreement, whichever is later, and thereafter.
- 2. Notwithstanding Article 4-B.2 and the Product-Specific Rules of Origin in Annex 4-B, each Party shall provide that the regional value-content requirement for a part listed in Table D of this Appendix that is for use in a heavy truck is
  - (a) 60 percent under the net cost method or 70 percent under the transaction value method, if the corresponding rule includes a transaction value method, beginning on January 1, 2020, or the date of entry into force of the Agreement, whichever is later;
  - (b) 64 percent under the net cost method or 74 percent under the transaction value method, if the corresponding rule includes a transaction value method, beginning on January 1, 2024, or four years after the date of entry into force of the Agreement, whichever is later; and

- (c) 70 percent under the net cost method or 80 percent under the transaction value method, if the corresponding rule includes a transaction value method, beginning on January 1, 2027, or seven years after the date of entry into force of the Agreement, whichever is later, and thereafter.
- 3. Notwithstanding the Product-Specific Rules of Origin in Annex 4-B, each Party shall provide that the regional value-content requirement for a part listed in Table E of this Appendix that is for use in a heavy truck is
  - (a) 54 percent under the net cost method or 64 percent under the transaction value method, if the corresponding rule includes a transaction value method, beginning on January 1, 2020, or the date of entry into force of the Agreement, whichever is later;
  - (b) 57 percent under the net cost method or 67 percent under the transaction value method, if the corresponding rule includes a transaction value method beginning on January 1, 2024, or four years after the date of entry into force of the Agreement, whichever is later; and
  - (c) 60 percent under the net cost method or 70 percent under the transaction value method, if the corresponding rule includes a transaction value method, beginning on January 1, 2027, or seven years after the date of entry into force of the Agreement, whichever is later, and thereafter.
- 4. Notwithstanding Article 4-B.2 or the Product-Specific Rules of Origin in Annex 4-B, each Party shall provide that a part of heading 84.07 or 84.08 or subheading 8708.40, or a chassis classified in 8708.99, that is for use in a heavy truck, is originating only if it satisfies the applicable regional value content requirement in paragraph 2 of this Article.

### **Article 4-B.5: Averaging**

- 1. Each Party shall provide that, for the purposes of calculating the regional value content of a passenger vehicle, light truck, or heavy truck, the calculation may be averaged over the producer's fiscal year, using any one of the following categories, on the basis of either all motor vehicles in the category or only those motor vehicles in the category that are exported to the territory of one or more of the other Parties:
  - (a) the same model line of motor vehicles in the same class of vehicles produced in the same plant in the territory of a Party;
  - (b) the same class of motor vehicles produced in the same plant in the territory of a Party:
  - (c) the same model line of motor vehicles produced in the territory of a Party; or

- (d) any other category as the Parties may decide.
- 2. Each Party shall provide, that for the purposes of calculating the regional value content for an automotive good of subheading 8407.31 through 8407.34 or 8408.20 or heading 84.09, 87.06, 87.07, or 87.08, produced in the same plant, or a super-core for a passenger vehicle or light truck, the calculation may be averaged:
  - (a) over the fiscal year of the motor vehicle producer to whom the good is sold;
  - (b) over any quarter or month; or
  - (c) over the fiscal year of the producer of the automotive material;

provided that the good was produced during the fiscal year, quarter or month forming the basis for the calculation, in which:

- (i) the average in subparagraph (a) is calculated separately for those goods sold to one or more motor vehicle producers; or
- (ii) the average in subparagraph (a) or (b) is calculated separately for those goods that are exported to the territory of another Party.

### **Article 4-B.6: Steel and Aluminum**

- 1. In addition to the Product-Specific Rules of Origin in Annex 4-B or other requirements in this Appendix, each Party shall provide that a passenger vehicle, light truck, or heavy truck is originating only if, during the previous year, at least 70 percent of:
  - (a) the vehicle producer's purchases of steel in North America<sup>100</sup>; and
  - (b) the vehicle producer's purchases of aluminum in North America,

are originating<sup>101</sup>.

2. Each Party shall provide that when a vehicle producer certifies that its purchases of steel and aluminum meet the requirement under paragraph 1 of this Article on an annual basis and that relevant records are kept as part of the Record Keeping Requirements under Article 5.9, a certification during one year applies to vehicles produced or exported in the following year; that is, the requirement in paragraph 1 will be considered to be met for all vehicles produced by that

<sup>&</sup>lt;sup>100</sup> For greater certainty, North American includes the United States, Mexico, and Canada.

<sup>&</sup>lt;sup>101</sup> This requirement will apply to a vehicle producer's purchases throughout North America if the producer has more than one location in a Party where steel and aluminum is purchased. Purchases of steel and aluminum includes both direct purchases, purchases through a services center, and purchases contracted through a supplier.

producer in the territory of a Party or exported by that producer from the territory of a Party in the following year.

- 3. The Parties shall endeavor to develop any additional description or other modification of steel and aluminum subject to paragraph 1, if needed, to facilitate implementation of this requirement. Upon request of one of the Parties, the Parties shall discuss and agree on any appropriate modifications to the description of steel and aluminum.
- 4. The Parties shall include any certification or verification provisions for this requirement in *Uniform Regulations* provided for in Article 5.17.

#### **Article 4-B.7: Labor Value Content**

- 1. In addition to the Product-Specific Rules of Origin in Annex 4-B or other requirements in this Appendix, each Party shall provide that a passenger vehicle is originating only if the vehicle producer certifies, on an annual basis, that its production meets a Labor Value Content (LVC) of:
  - (a) 30 percent, consisting of at least 15 percentage points of high-wage material and manufacturing expenditures, no more than 10 percentage points of high-wage technology expenditures, and no more than 5 percentage points of high-wage assembly expenditures, beginning on January 1 2020, or the date of entry into force of the Agreement, whichever is later;
  - (b) 33 percent, consisting of at least 18 percentage points of high wage material and manufacturing expenditures, no more than 10 percentage points of technology expenditures, and no more than 5 percentage points of assembly expenditures, beginning on January 1, 2021, or one year after the date of entry into force of the Agreement, whichever is later;
  - (c) 36 percent, consisting of at least 21 percentage points of high wage material and manufacturing expenditures, no more than 10 percentage points of technology expenditures, and no more than 5 percentage points of assembly expenditures, beginning on January 1, 2022, or two years after the date of entry into force of the Agreement, whichever is later;
  - (d) 40 percent, consisting of at least 25 percentage points of high wage material and manufacturing expenditures, no more than 10 percentage points of technology expenditures, and no more than 5 percentage points of assembly expenditures, beginning on January 1, 2023, or three years after the date of entry into force of the Agreement, whichever is later, and thereafter.
- 2. Each Party shall provide that a light truck or heavy truck is originating only if the vehicle producer certifies that its production meets an LVC requirement consisting of at least 30 percentage points of high wage material and manufacturing expenditures, no more than 10

percentage points of technology expenditures, and no more than 5 percentage points of assembly expenditures.

- 3. Each Party shall provide that high-wage material or manufacturing expenditures, high wage technology expenditures, and high-wage assembly expenditures described under paragraphs 1 and 2 are calculated as follows:
  - (a) For high wage material and manufacturing expenditures, the Annual Purchase Value (APV) <sup>102</sup> of purchased parts or materials <sup>103</sup> produced in a plant or facility, and any labor costs in the vehicle assembly plant or facility, that is located in North America with a production wage rate that is at least US\$16/hour <sup>104</sup> as a percentage of the net cost of the vehicle, or the total vehicle plant assembly APV, including any labor costs in the vehicle assembly plant or facility;
  - (b) For high wage technology expenditures, the annual vehicle producer expenditures in North America on wages for research and development (R&D)<sup>105</sup> or information technology (IT)<sup>106</sup> as a percentage of total annual vehicle producer expenditures on production wages in North America; and
  - (c) For high wage assembly expenditures, a credit of no more than 5 percentage points if the vehicle producer demonstrates that it has an engine assembly, transmission assembly, or an advanced battery assembly plant, or has long term contracts with such a plant<sup>107</sup>, located in North America with an average production wage of at least US\$16 per hour.

<sup>&</sup>lt;sup>102</sup> High-wage transportation or related costs for shipping a part or component may be used to calculate high wage material and manufacturing costs if those costs are not otherwise included in the APV.

<sup>&</sup>lt;sup>103</sup> These parts or materials include parts or materials used in the production of a vehicle or in the production of an auto part or material that is used in the production of an intermediate or self-produced part that is used in the production of a vehicle.

<sup>&</sup>lt;sup>104</sup> The production wage rate is the average hourly base wage rate, not including benefits, of employees directly involved in the production of the part or component used to calculate the LVC, and does not include salaries of management, R&D, engineering, or other workers who are not involved in the direct production of the parts or in the operation of production lines.

<sup>&</sup>lt;sup>105</sup> R&D expenditures include expenditures on research and development including prototype development, design, engineering, testing, or certifying operations.

 $<sup>^{106}</sup>$  IT expenditures include expenditures on software development, technology integration, vehicle communications, and information technology support operations.

<sup>&</sup>lt;sup>107</sup>In the case of a passenger vehicle or light truck, a high wage engine assembly or transmission assembly plant must have a production capacity of at least 100,000 originating engines or transmissions and an advanced battery assembly plant must have a production capacity of at least 25,000 originating assembled advanced battery packs, in order to receive this credit. In the case of a heavy truck a high wage engine, transmission, or battery assembly plant must have a production capacity of at least 20,000 originating engines, transmission, or assembled advanced battery packs to receive this credit.

- 4. Each Party shall provide that, for the purposes of calculating the LVC of a passenger vehicle, light truck, or heavy truck, the calculation may be averaged using any one of the following categories, on the basis of either all motor vehicles in the category or only those vehicles in the category that are exported to the territory of one or more of the other Parties:
  - (a) the same model line of motor vehicles in the same class of vehicles produced in the same plant in the territory of a Party;
  - (b) the same class of motor vehicles produced in the same plant in the territory of a Party;
  - (c) the same model line of motor vehicles or same class of motor vehicles produced in the territory of a Party; or
  - (d) any other category as the Parties may decide.
- 5. Each Party shall provide, that when the LVC is certified by the vehicle producer on an annual basis and that relevant records are kept as part of the Record Keeping Requirements under Article 5.9, a certification during one year applies to vehicles produced or exported in the following year; that is, the requirement in paragraph 1 or 2 will be considered to be met for all vehicles produced by that producer in the territory of a Party or exported by that producer from the territory of a Party in the following year.
- 6. Each Party shall provide that for the period ending January 1, 2027 or seven years after entry into force of this Agreement, whichever is later, if a vehicle producer certifies a Labor Value Content for a heavy truck that is higher than 45 percent by increasing the amount of high wage material and manufacturing expenditures above 30 percentage points, the producer may use the points above 30 percentage points as a credit towards the regional value content percentages under Article 4-B.4.1 of this Appendix, provided that the regional value content percentage is not below 60 percent.
- 7. The Parties shall include any additional certification or verification provisions for this Article in the *Uniform Regulations* provided for in Article 5.17.

#### **Article 4-B.8: Transitions**

- 1. Each Party shall provide that for a period ending no later than January 1, 2025 or five years after entry into force of this Agreement, whichever is later, a passenger vehicle or light truck may be originating pursuant to an alternative staging regime, subject to paragraphs 2 and 3, to the above requirements.
- 2. An alternative staging regime for eligible passenger vehicles or light trucks must meet the following requirements:

- (a) The regional value content for such vehicles must not be lower than 62.5 percent, under the net cost method, for vehicles and must be 75 percent by no later than January 1, 2025 or five years after entry into force of this Agreement, whichever is later;
- (b) The regional value content for a good listed in Table A.1 of this Appendix that is for use in a passenger vehicle or light truck must not be lower than 62.5 percent under the net cost method or 72.5 percent under the transaction value method, if the corresponding rule includes a transaction value method, and must be 75 percent under the net cost method or 85 percent under the transaction value method, if the corresponding rule includes a transaction value method by no later than January 1, 2025 or five years after entry into force of this Agreement, whichever is later;
- (c) The steel and aluminum requirement under Article 4-B.5 must be met, unless the Parties agree to amend that requirement for vehicles subject to this alternative regime; and
- (d) The LVC requirements under paragraph 4-B.7.1 or 4-B-7.2 must not be reduced by more than 5 percentage points for high wage material and manufacturing expenditures unless the Parties agree to amend that requirement for vehicles subject to this alternative staging regime.
- 3. The quantities of passenger vehicles or light trucks eligible for the alternative staging regime in paragraph 2 shall be limited to not more than ten percent of a producer's total North American passenger vehicle or light truck production during the complete 12 month period prior to entry into force of the Agreement, or the average of such production during the complete 36 month period prior to entry into force of the Agreement, whichever is greater. The Parties may decide to increase the number of eligible vehicles for a producer if a vehicle producer can demonstrate, to the satisfaction of the Parties, a detailed and credible plan to ensure these vehicles will meet all the requirements set out in Articles 4-B.1 through 4-B.7 within five years from entry into force of this Agreement.
- 4. Each Party shall provide that for a period ending no later than January 1, 2027 or seven years after entry into force of this Agreement, whichever is later, a heavy truck may be originating pursuant to an alternative staging regime to the requirements set out in Articles 4-B.1 through 4-B.7, if applicable.
- 5. An alternative staging regime described in this Article may apply on a producer-by-producer basis. Upon request of one of the Parties, the Parties shall discuss and agree on any appropriate extensions or other modifications to the alternative staging regime described in paragraphs 1-4 if the Parties consider that such an extension or modification would result in new investment for vehicle or parts production in North America.

#### **Article 4-B.9: Review and Transitional Arrangements**

- 1. The Parties shall, upon request of a Party, review the requirements in this Appendix for passenger vehicles, light truck, and heavy trucks to ensure that they reflect the composition of these vehicles, especially Advanced Technology Vehicles, and in light of technological developments
- 2. Notwithstanding Article 4-B.5, a Party may allow averaging for a producer over a partial fiscal year or partial calendar year if the beginning of the producer's fiscal year does not coincide with the date of entry into force of this Agreement, or if the date of entry into force of this Agreement does not fall at the beginning of a calendar year, in order to facilitate implementation of the requirements in this Appendix.

#### **Article 4-B.10: Regional Value Content for Other Vehicles**

- 1. Notwithstanding the Product-Specific Rules of Origin in Annex 4-B, each Party shall provide that the regional value-content requirement is 62.5 percent under the net cost method for:
  - (a) a motor vehicle for the transport of 15 or fewer persons of subheading 8702.10 or 8702.90; a motor vehicle with a compression-ignition engine as the primary motor of propulsion, a three or four-wheeled motorcycle, a motorhome or entertainer coach, or a vehicle solely or principally for off-road use of subheading 8703.21 through 8703.90; or a vehicle of subheading 8704.21 or 8407.31 that is solely or principally for off-road use; and
  - (b) a good of heading 84.07 or 84.08, or subheading 8708.40, that is for use in a motor vehicle in subparagraph (a).
- 2. Notwithstanding the Product-Specific Rules of Origin in Annex 4-B, each Party shall provide that the regional value-content requirement is 60 percent under the net cost method for:
  - (a) a good that is a motor vehicle of heading 8701, except for subheading 8701.20; a motor vehicle of subheading 8704.10, a motor vehicle of subheading 8704.21 through 8704.90 that is solely or principally for off-road use; a motor vehicle of heading 87.05; or a good of heading 87.06 that is not for use in a passenger vehicle, light truck, or heavy truck;
  - (b) a good of heading 84.07 or 84.08, or subheading 8708.40, that is for use in a motor vehicle in subparagraph (a).
  - (c) except for a good in paragraph 2(b) or of subheading 8482.10 through 8482.80, 8483.20, or 8483.30, a good in Table F of this Appendix that is subject to a regional value content requirement and that is for use in a motor vehicle in paragraphs 1(a) or 2(a).

- 3. Each Party shall provide that, for the purposes of calculating the regional value content under the net cost method for:
  - (a) a good that is a motor vehicle provided for in paragraph 1(a), or
  - (b) a good listed in Table F of this Appendix, if the good is subject to a regional valuecontent requirement and is for use as original equipment in the production of a good provided for paragraph 1(a)

the value of non-originating materials used by the producer in the production of the good shall be the sum of the values of non-originating materials listed in Table F, determined in accordance with Article 4.6, at the time the non-originating materials are received by the first person in the territory of a Party who takes title to them, that are imported from outside the territories of the Parties and are used in the production of the good or that are used in the production of a material used in the production of the good.

- 4. Each Party shall provide that, for purposes of calculating the regional value content under the net cost method for a good that is a motor vehicle provided for in paragraph 2(a), or a component listed in Table G of this Appendix for use as original equipment in the production of the motor vehicle in paragraph 2(a), the value of non-originating materials used by the producer in the production of the good shall be the sum of:
  - (a) for each material used by the producer listed in Table G, whether or not produced by the producer, at the choice of the producer and determined in accordance with Article 4.5, either
    - (i) the value of such material that is non-originating, or
    - (ii) the value of non-originating materials used in the production of such material; and
  - (b) the value of any other non-originating material used by the producer that is not listed in Table G of this Appendix, determined in accordance with Article 4.5.
- 5. Each Party shall provide that, for purposes of calculating the regional value content of a motor vehicle covered by paragraph 1 or 2, the producer may average its calculation over its fiscal year, using any one of the following categories, on the basis of either all motor vehicles in the category or only those motor vehicles in the category that are exported to the territory of one or more of the other Parties:
  - (a) the same model line of motor vehicles in the same class of vehicles produced in the same plant in the territory of a Party;
  - (b) the same class of motor vehicles produced in the same plant in the territory of a Party; or

- (c) the same model line of motor vehicles produced in the territory of a Party.
- 6. Each Party shall provide that, for purposes of calculating the regional value content for a good listed in Table F of this Appendix, or a component or material listed in Table G of this Appendix, produced in the same plant, the producer of the good may:
  - (a) average its calculation:
    - (i) over the fiscal year of the motor vehicle producer to whom the good is sold,
    - (ii) over any quarter or month, or
    - (iii) over its fiscal year, if the good is sold as an aftermarket part;
  - (b) calculate the average referred to in subparagraph (a) separately for a good sold to one or more motor vehicle producers; or
  - (c) with respect to any calculation under this paragraph, calculate the average separately for goods that are exported to the territory of one or more of the Parties.
- 7. The regional value-content requirement for a motor vehicle identified in paragraph 1 or 2 of this Article shall be:
  - (a) 50 percent for five years after the date on which the first motor vehicle prototype is produced in a plant by a motor vehicle assembler, if:
    - (i) it is a motor vehicle of a class, or marque, or, except for a motor vehicle identified in paragraph 2, size category and underbody, not previously produced by the motor vehicle assembler in the territory of any of the Parties,
    - (ii) the plant consists of a new building in which the motor vehicle is assembled, and
    - (iii) the plant contains substantially all new machinery that is used in the assembly of the motor vehicle; or
  - (b) 50 percent for two years after the date on which the first motor vehicle prototype is produced at a plant following a refit, if it is a different motor vehicle of a class, or marque, or, except for a motor vehicle identified in paragraph 2, size category and underbody, than was assembled by the motor vehicle assembler in the plant before the refit.

# TABLE A.1 CORE PARTS FOR PASSENGER VEHICLES AND LIGHT TRUCKS

<b>HS 2012</b>	<b>DESCRIPTION</b>
840731	Spark-Ignition Piston Engine for Vehicle Ex Railway Not Over 50 Cc
840732	Spark-Ignition Reciprocating Piston Engine Etc Nov 250Cc
840733	Spark-Ignition Reciprocating Piston Engine Etc >250 Nov1000Cc
840734	Spark-Ignition Reciprocating Piston Engine Etc > 1000 Cc
840820	Compression-Ignition Internal Combustion Piston Engine Etc
840991	Spark-Ignition Internal Combustion Piston Engine Parts Nesoi
840999	Spark-Ignition Reciprocating Internal Combustion Piston Engine Parts
850760	Lithium Ion Batteries
870600	Chassis W Engine for Trac, Motor Vehicle for Pass/Good & Special Purpose
870710	Bodies for Motor Cars/Vehicles for Transporting Persons
870790	Bodies for Road Tractors and Motor Vehicles (Pub Tran, Etc)
870840	Gear Boxes for Motor Vehicles
870850	Drive Axles with Differential for Motor Vehicles
870880	Suspension Shock Absorbers for Motor Vehicles
870894	Steering Wheels, Columns & Boxes for Motor Vehicles

# TABLE A.2 PARTS AND COMPONENTS FOR PASSENGER VEHICLES AND LIGHT TRUCKS

Column 1	Column 2
PARTS	COMPONENTS
ENGINE	Heads, Blocks, Crankshafts, Crankcases, Pistons, Rods, Head subassembly
TRANSMISSION	Transmission cases, Torque converters, Torque converter housings, Gears and gear blanks, Clutches, Valve body assembly
BODY AND CHASSIS	Major body panels, Secondary panels, Structural panels, Frames
AXLE	Axle shafts, Axle housings, Axle hubs, Carriers, Differentials
SUSPENSION SYSTEM	Shock absorbers, Struts, Control arms, Sway bars, Knuckles, Coil springs, Leaf springs
STEERING SYSTEM	Steering columns, Steering gears/racks, Control units
ADVANCED BATTERY	Cells, Modules/arrays, Assembled packs

# TABLE B PRINCIPAL PARTS FOR PASSENGER VEHICLES AND LIGHT TRUCKS

HS 2012	<b>DESCRIPTION</b>
401110	New Pneumatic Tires of Rubber, for Motor Cars
401120	New Pneumatic Tires of Rubber, for Buses or Trucks
401211	Retreaded Tires of Rubber, for Use on Motor Cars
401212	Retreaded Tires of Rubber, for Use on Trucks
401219	Retreaded Tires of Rubber, Nesoi
401310	Inner Tubes of Rubber for Mot Cars, Buses & Trucks
700711	toughened Safety Glass of Size a Shape for Vehicles Etc
700721	Laminated Safety Glass for Vehicles, Aircraft Etc.
700910	Rear-View Mirrors for Vehicles
841330	Fuel, Lub/Cooling Med Pumps for Internal Comb Piston Engine
841350	Hydraulic Fluid power Pumps
841391	Parts of hydraulic fluid power pumps
841430	Compressors Used In Refrigerating Equipment
841459	Fans, Nesoi (turbochargers and superchargers)
841480	Air/Gas Pumps, Compressors and Fans Etc, Nesoi
841520	Automotive Air Conditioners
841590	Parts, Nesoi, of Air Conditioning Machines
847989	Electronic brake systems incl. ABS and ESC systems
848210	Ball Bearings
848220	Tapered Roll Bearings, Including Cone & Roller Assemblies
848230	Spherical Roller Bearings
848240	Needle Roller Bearings
848250	Cylindrical Roller Bearing Nesoi
848280	Other Ball or Roll Bearings, Inc Comb Ball/Roll Bearings
848291	Balls, Needles and Rollers for Bearings
848310	Transmission Shafts (Inc Cam-& Crank-Shaft), Etc.
848320	Housed Bearings, Incorp Ball or Roller Bearings
848330	Bearing Housings; Plain Shaft Bearings
848340	Gears; Ball or Roller Screws; Gear Boxes, Etc
848350	Flywheels and Pulleys, Including Pulley Blocks
848360	Clutches and Shaft Couplings (Incl. Universal Joints)
848390	Toothed Wheels, Chain Sprockets & Other Trans Elem; Pts
850132	Dc Motors & Generators W Output > 750W; N Over 75 Kw

# TABLE B PRINCIPAL PARTS FOR PASSENGER VEHICLES AND LIGHT TRUCKS

#### Continued

850133	Dc Motors & Generators W Output > 75Kw; N Over 375Kw
850520	Electromagnetic couplings, clutches and brakes
850590	Other Electromagnets and permanent magnets, including parts
851140	Internal Combustion Engine Starter Motors
851150	Internal Combustion Engine Generators, Nesoi
851180	Elect Ignition/Start Equipment for Spark/Comp Engine; Generator Nesoi
851190	Pts Elect Ignition/Start Equip; Generators & Cut-Outs
853710	Controls Etc W Elect Appr for Elect Cont Nov 1000 V
870810	Bumpers and Parts, for Motor Vehicles
870821	Safety Seat Belts for Motor Vehicles
870829	Parts & Accessories of Bodies of Motor Vehicles, Nesoi
870830	Brakes and Servo-Breaks; Parts Thereof
870870	Road Wheels & Pts & Accessories for Motor Vehicles
870891	Radiators for Motor Vehicles
870892	Mufflers and Exhaust Pipes for Motor Vehicles
870893	Clutches and Parts Thereof for Motor Vehicles
870895	Safety Airbags with Inflator System; Parts Thereof
870899	Parts and Accessories of Motor Vehicles, Nesoi
940120	Seats of a Kind Used for Motor Vehicles
940190	Parts of Seats (Ex Medical, Barber, Dental Etc)

# TABLE C COMPLEMENTARY PARTS FOR PASSENGER VEHICLES AND LIGHT TRUCKS

<b>HS 2012</b>	<u>DESCRIPTION</u>
400912	Pipe, Not Reinforced/Comb. W/ Materials W/ Fittings
400912	Pipes, Vulc Rub, Reinforced/Combo With Metal, W/ Fitting
400922	1 / 5
400932	Pipe of Vul Rub, Reinforced W/ Text Only Mat,W/Fittings Pipe, Reinforced/Comb W/Other Textile Mat,W/Fittings
830120	Locks of a Kind Used On Motor Vehicles, Base Metal
842139	Catalytic converters
848120	Valves for Oleohydraulic or Pneumatic Transmissions
848130	Check Valves
848180	
850110	Taps Cocks Etc for Pipe Vat Inc Thermo Control Nesoi Electric Motors of an Output Not Exceeding 37.5 W
850110	Universal Ac/Dc Motors of an Output > 37.5 W
850120	<u> </u>
850720	Dc Motors & Generators W Output N Over 750 W Lead-Acid Storage Batteries Nesoi
850720	Nickel-Cadmium Storage Batteries
850740	e e e e e e e e e e e e e e e e e e e
	Nickel-Iron Storage Batteries
850750	Nickel-metal Hydride Batteries
850780	Storage Batteries Nesoi
851130	Distributors; Ignition Coils
851220	Elect Lighting/Visual Signaling Equipment Ex for Bicycles Windelield Wines Defineton & Demister for Cycle/Mater Vehicle
851240	Windshield Wiper Defroster & Demister for Cycle/Motor Vehicle
851981	Sound Recording/Reproducing App Magnetic/Optical/Semiconductor Nesoi
853650	Elect Switches for Voltage Not Over 1000 V, Nesoi
853690	Elect Apparatus for Protect to Elect Circuit Nov 1000 V Nesoi
853910	Sealed Beam Electric Lamp Units
853921	Tungsten Halogen Electric Filament Lamps
854430	Insulated Wiring Sets for Vehicles Ships Aircraft
903180	Measuring & Checking Instrument, Appliances & Mach Nesoi
903289	Auto Regulating Ins & Appr Ex Thermostat, Mnstat, Etc

# TABLE D PRINCIPAL PARTS FOR HEAVY TRUCKS

840731	Spark-Ignition Piston Engine for Vehicle Ex Railway Not Over 50 Cc
840732	Spark-Ignition Reciprocating Piston Engine Etc Nov 250Cc
840733	Spark-Ignition Reciprocating Piston Engine Etc >250 Nov1000Cc
840734	Spark-Ignition Reciprocating Piston Engine Etc > 1000 Cc
840820	Compression-Ignition Internal Combustion Piston Engine Etc
840991	Spark-Ignition Internal Combustion Piston Engine Parts Nesoi
840999	Spark-Ignition Reciprocating Internal Combustion Piston Engine Parts
841330	Fuel, Lub/Cooling Med Pumps for Internal Comb Piston Engine
841459	Fans, Nesoi (turbochargers and superchargers)
841480	Air/Gas Pumps, Compressors and Fans Etc, Nesoi
841520	Automotive Air Conditioners
848280	Other Ball or Roll Bearings, Inc Comb Ball/Roll Bearings
848310	Transmission Shafts (Inc Cam-& Crank-Shaft), Etc.
848340	Gears; Ball or Roller Screws; Gear Boxes, Etc
848350	Flywheels and Pulleys, Including Pulley Blocks
850132	Dc Motors & Generators W Output > 750W; N Over 75 Kw
850133	Dc Motors & Generators W Output > 75Kw; N Over 375Kw
851140	Internal Combustion Engine Starter Motors
851150	Internal Combustion Engine Generators, Nesoi
853710	Controls Etc W Elect Appr for Elect Cont Nov 1000 V
870600	Chassis W Engine for Trac, Motor Vehicle for Pass/Good & Special Purpose
870710	Bodies for Motor Cars/Vehicles for Transporting Persons
870790	Bodies for Road Tractors and Motor Vehicles (Pub Tran, Etc)
870810	Bumpers and Parts, for Motor Vehicles
870821	Safety Seat Belts for Motor Vehicles
870829	Parts & Accessories of Bodies of Motor Vehicles, Nesoi
870830	Brakes and Servo-Breaks; Parts Thereof
870840	Gear Boxes for Motor Vehicles
870850	Drive Axles with Differential for Motor Vehicles
870870	Road Wheels & Pts & Accessories for Motor Vehicles
870880	Suspension Shock Absorbers for Motor Vehicles
870891	Radiators for Motor Vehicles
870892	Mufflers and Exhaust Pipes for Motor Vehicles
870893	Clutches and Parts Thereof for Motor Vehicles
870894	Steering Wheels, Columns & Boxes for Motor Vehicles
870895	Safety Airbags with Inflator System; Parts Thereof
870899	Parts and Accessories of Motor Vehicles, Nesoi
940120	Seats of a Kind Used for Motor Vehicles

## TABLE E

## COMPLEMENTARY PARTS FOR HEAVY TRUCKS

841350	Hydraulic Fluid power Pumps
847989	Electronic brake systems incl. ABS and ESC systems
848210	Ball Bearings
848220	Tapered Roll Bearings, Including Cone & Roller Assemblies
848230	Spherical Roller Bearings
848240	Needle Roller Bearings
848250	Cylindrical Roller Bearing Nesoi
848320	Housed Bearings, Incorp Ball or Roller Bearings
848330	Bearing Housings; Plain Shaft Bearings
848360	Clutches and Shaft Couplings (Incl. Universal Joints)
850520	Electromagnetic couplings, clutches and brakes
850590	Other Electromagnets and permanent magnets, including parts
850760	Lithium Ion Batteries
851180	Elect Ignition/Start Equipment for Spark/Comp Engine; Generator Nesoi
851190	Pts Elect Ignition/Start Equip; Generators & Cut-Outs

## TABLE F

## LIST OF TARIFF PROVISIONS FOR OTHER VEHICLES

40.09	(tubes, pipes and hoses)
4010.10	(rubber belts)
40.11	(tires)
4016.93.aa	(rubber, gaskets, washers and other seals for automotive goods)
4016.99.aa	(vibration control goods)
7007.11 and 7007.21	(laminated safety glass)
7009.10	(rearview mirrors)
8301.20	(locks for the kind used on motor vehicles)
8407.31	(engines of a cylinder capacity not exceeding 50cc)
8407.32	(engines of a cylinder capacity exceeding 50cc but not exceeding 250cc)
8407.33	(engines of a cylinder capacity exceeding 250cc but not exceeding 1000cc)
8407.34.aa	(engines of a cylinder capacity exceeding 1000cc but not exceeding 2000cc);
8407.34.bb	(engines of a cylinder capacity exceeding 2000cc)
8408.20	(diesel engines for vehicles of Chapter 87)
84.09	(parts of engines)
8413.30	(pumps)
8414.80.22	(turbochargers and superchargers for motor vehicles, where not provided for under subheading 8414.59)
8414.59.aa	(turbochargers and superchargers for motor vehicles, where not provided for under subheading 8414.80)
8415.81 through 8415.83	(air conditioners)
8421.39.aa	(catalytic convertors)
8481.20, 8481.30 and 8481.80	(valves)
8482.10 through 8482.80	(ball bearings)
8483.10 through 8483.40	(transmission shafts and housed ball bearings)

8483.50	(flywheels)
8501.10	(electric motors)
8501.20	(electric motors)
8501.31	(electric motors)
8501.32.aa	(electric motors that provide primary source for electric powered vehicles of subheading 8703.90)
8507.20.aa, 8507.30.aa, 8507.40.aa and 8507.80.aa	(batteries that provide primary source for electric cars)
8511.30	(distributors)
8511.40	(starter motors)
8511.50	(other generators)
8512.20	(other lighting or visual signalling equipment)
8512.40	(windscreen wipers, defrosters)
8519.91	(cassette decks)
8527.21	(radios combined with cassette players)
8527.29	(radios)
8536.50	(switches)
8536.90	(junction boxes)
8537.10.aa	(motor control centers)
8539.10	(seal beamed headlamps)
8539.21	(tungsten halogen headlamps)
8544.30	(wire harnesses)
87.06	(chassis)
87.07	(bodies)
8708.10.aa	(bumpers but not parts thereof)
8708.21	(safety seat belts)
8708.29.aa	(body stampings)
8708.29.bb	(inflators and modules for airbags)
8708.29.cc	(door assemblies)
8708.29.dd	(airbags for use in motor vehicles, where not provided for under subheading 8708.99)
8708.39	(brakes and servobrakes, and parts thereof)
8708.40	(gear boxes, transmissions)

8708.50	(drive axles with differential, whether or not provided with other transmission components)
8708.60	(nondriving axles, and parts thereof)
8708.70.aa	(road wheels, but not parts or accessories thereof)
8708.80	(suspension shockabsorbers)
8708.91	(radiators)
8708.92	(silencers (mufflers) and exhaust pipes)
8708.93.aa	(clutches, but not parts thereof)
8708.94	(steering wheels, steering columns and steering boxes)
8708.99.aa	(vibration control goods containing rubber)
8708.99.bb	(double flanged wheel hub units)
8708.99.cc	(airbags for use in motor vehicles, where not provided for under subheading 8708.29)
8708.99.dd	(halfshafts and drive shafts)
8708.99.ee	(other parts for powertrains)
8708.99.ff	(parts for suspension systems)
8708.99.gg	(parts for steering systems)
8708.99.hh	(other parts and accessories not provided for elsewhere in subheading 8708.99)
9031.80	(monitoring devices)
9032.89	(automatic regulating instruments)
9401.20	(seats)

#### TABLE G

#### LIST OF COMPONENTS AND MATERIALS FOR OTHER VEHICLES

#### 1. Component: Engines provided for in heading 84.07 or 84.08

Materials: cast block, cast head, fuel nozzle, fuel injector pumps, glow plugs, turbochargers and superchargers, electronic engine controls, intake manifold, exhaust manifold, intake/exhaust valves, crankshaft/camshaft, alternator, starter, air cleaner assembly, pistons, connecting rods and assemblies made therefrom (or rotor assemblies for rotary engines), flywheel (for manual transmissions), flexplate (for automatic transmissions), oil pan, oil pump and pressure regulator, water pump, crankshaft and camshaft gears, and radiator assemblies or charge-air coolers.

#### 2. Component: Gear boxes (transmissions) provided for in subheading 8708.40

Materials: (a) for manual transmissions - transmission case and clutch housing; clutch; internal shifting mechanism; gear sets, synchronizers and shafts; and (b) for torque convertor type transmissions - transmission case and convertor housing; torque convertor assembly; gear sets and clutches; and electronic transmission controls.